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The Socialist Pattern and New Welfare Economics

by

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The purpose of this paper is to examine the concept of the socialist pattern as propounded in India in terms of the theory of New Welfare Economics. The idea of the Socialist pattern emanated from the broader notion of the establishment of a Welfare State. Obviously, it is of academic interest to relate it to the modern version of welfare economics in order to assess the extent to which it is derived from it. One obvious difficulty in attempting an interpretation of this nature would be to bring a highly theoretical exercise like the new welfare theory to practical implementation in the form of a programme of economic development in a country. Still, it may not be impossible to determine even in a remote way the degree of awareness of the authors of the concept of the socialist pattern in respect of the theoretical foundations from which it ought to be drawn.

The theory of New Welfare Economics makes a significant departure from the notions of the classical economists regarding welfare. Utility as a norm of measurement as understood by the earlier economists is being surrendered. The indifference curve technique is employed for explaining how the highest level of satisfaction could be reached. This is considered an improvement over the previous method of aggregating the items of satisfaction of an individual. Besides, the New Welfare Economics establishes the optimum conditions of production and exchange without adding the utilities of different persons. An optimum position is defined as one in which it would be impossible to put any individual on a higher indifference curve without causing someone to drop to a lower one. Though the ethical basis of welfare is being denied by some of the schools of New Welfare Economics, an equitable distribution of income is considered a necessary condition of welfare. Thus, an optimum condition of production and exchange with an equitable distribution of income seem to be the ultimate determinants of the process of maximization of welfare.

There are still others who feel that distribution of income is of relatively less importance as compared with certain principles of exchange. They are of opinion that the marginal rate of substitution between commodities must be equal for all individuals, as otherwise an exchange of goods might increase the welfare of some without reducing it for others. Further, they feel that marginal costs must equal prices, as otherwise a reallocation of the resources might increase the output of some goods without decreasing that of others. However, while emphasis on efficiency is necessary for the determination of an optimum position, care must be taken to see that no economic change ends in a bad distribution of income. Therefore, in terms of economic policy, a change in the pattern of economic organisation should satisfy the twin criteria of efficiency and equity. Since every change is bound to have its impact on the distribution of income, care must be taken to see that there is a sense of fairness and economic justice in all recommendations.

From the above analysis of the basic principles of New Welfare Economics it could be deduced that there are two guiding principles in the formulation of policy, viz. efficiency as a test of the productive process and equity as a feature of the distributive system. The socialist pattern that is envisaged for India is proposed to be unfolded through the capitalistic framework. But the productive pattern is to be determined on social welfare principles. This ideal has to be implemented through State ownership of strategic resources and by means of an indirect control over the private sector. Price control and price support policies are to be part of the armoury for the implementation of the proposed change. Considerable emphasis is placed on distributive justice within the economy.

In the implementation of this pattern, a few directives from the theory of New Welfare Economics are available. In the first place, for the allocation of resources with maximum utilisation a socialist economy is considered to be in an advantageous position. This principle has guided the lines of productive organization envisaged in the socialist pattern that is being suggested. Maximum utilisation being one of the fundamental principles of maximizing welfare, an expansion of the public sector is adopted as a compromise in place of a full-fledged socialist economy. Welfare Economics also suggests the intervention of the State for the purpose of making marginal cost equal to price. It is recommended that the State could either purchase the firm and operate it

on a welfare maximizing basis or regulate it in such a way as to make it produce an output whose marginal cost would be equal to price; the State paying the firm a subsidy sufficient to pay its overhead costs. This is a suggestion that may not be easy to borrow in its entirety, as a system of subsidization on such a large-scale may have its own undesirable repercussions. In the alternative, the State is either to nationalize and operate certain firms in the social interest or to intercept the margin between social cost and private cost through the fiscal machinery and compensate society indirectly. In other words, the gap between social and private net products may be bridged through taxes and social legislation in order to maximize the national dividend and through it social welfare.

The compensatory principle is highlighted in the theory of New Welfare Economics. It is stated that any ordinary change in economic policy may affect someone or other adversely and that special measures may justifiably be taken to compensate those who may be affected. This principle of compensation is implied in the policy of aiding the small-scale and cottage sections as against the organised sectors of the industry. In other words, the fostering of a particular structure in the economic organization of a country is based on the principle of maximizing welfare.

Welfare Economics also aims at the elimination of inequalities of wealth wherever they are not functions of increased productivity. The reason for this emphasis is the belief that adequate production is the *sine qua non* of maximum welfare. Income being not merely a means of consumer satisfaction but also a reward for production services, its equality should not be such as to impair the total productive output of a nation. This again has been an important directive in the distributive justice aimed at in the socialist pattern. The socialist pattern lays primary emphasis on a higher national income; the equitability of distribution being only a derivative from the ethical basis of the welfare theory. In the socialist pattern that is envisaged, the case for differential incomes as incentives for the encouragement of productive talents in a developing economy is not lost sight of. It is recognised everywhere that maximum output could occur only with increased employment, capital accumulation, technical progress and better utilization of strategic advantages in international trade. Increased plenty is a desirable thing only when it is linked with a redistribution of welfare which is not too regressive from the point of view of social justice. Besides, it ought

not to lead to a serious deterioration of the allocating efficiency of the economic system. It is to guard against these contingencies that the socialist pattern as envisaged in India lays maximum emphasis on the distributive system.

While it has been seen that the implications of the socialist pattern are theoretically sound, there may be certain transitional difficulties in putting it into practice. The chief among them may be the problem of economic growth. The process of growth is conditioned by the socio-economic structure and the tradition and mores of a country. A disregard of their impact on planning for development may yield results contrary to expectations. Further, during the period of growth there may be an unevenness in economic progress leaving certain parties adversely affected. Suitable transitional measures may be necessary to sustain them during the period of growth. Planning for increased output would also warrant the offer of incentives, as otherwise the rate of productivity may fall. In a free enterprise economy, incentives need not be deliberately offered by anybody; they offer themselves in the competitive system. Since State intervention through planning deprives at strategic points the available incentives to economic activity, a system of deliberately designed incentives should form part of the machinery of planning. It is also a matter for consideration during the transitional period whether maximum output should have the pride of place in the policy formulation programme or aggregate satisfaction at various stages of growth. In the planning programme of India the latter has secured larger emphasis and rightly too. Though in the long-run the principle of maximization of output might be the deciding factor, the more humane factor of the conservation of welfare at every stage of progress is a laudable principle. Finally, a disturbance of the social fabric in the transitional period would be too high a price to pay for the distant goal of the highest national income. Extra-economic considerations ought to play a vital role in the assessment of economic welfare.

In conclusion it may be said from the discussion that has preceded that the socialist pattern is a much wider concept than the new welfare theory. It comprises many extra-economic considerations which may not be amenable to the treatment prescribed by the propounders of the New Welfare Economics. The implementation of the socialist pattern is a dynamic process involving not merely an economic but a social change. Social regeneration is a condition precedent of economic welfare.

A Brahmi Inscription from Kunrakkudi

by

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Kuṉṟakkuḍi, more popularly known as Kuṉṉakkuḍi is a small village in the Tiruppattur taluk of the Ramanathapuram district, and lies at a distance of about five miles from the Karaikkudi town. The place obviously derives its name from the hill (*kuṉṟu*) which is in the middle of the village. At the top of the hill is a temple dedicated to God Subrahmaṇya. There are three rock-cut temples excavated at the foot of the hill for God Śiva who is facing south. One of them is used as a strong room for the preservation of the valuables of God Subrahmaṇya at the place. The second shrine is dedicated to God Macileśvara as mentioned in a Vaṭṭeḻuttu record at the place, and the third to Malaikkoḻundīśvara. The walls of the cave temples contain a number of Śaiva and Vaiṣṇava sculptures, as also more than twenty inscriptions of the later Cōḷa and Pāṇḍya periods.

On the western side of the Subrahmaṇya temple on the rock is a natural cavern or rock-cut shelter. The area under the boulder has been converted into a building with several compartments and occupied by mendicant beggars, who call it *Jñāṉiyārmaḍam*. In it are set up the figures of a Nāga, Hanumān, and a seated image, which they call Jñāṉiyār. The whole cavern space under the boulder bears close resemblance to similar ones found in some of the Tamil districts, particularly Tirunelveli, Madurai, Ramanathapuram and Tiruchirapalli and must have contained a number of stone beds with pillows which appear to have been used by the Buddhist, Jain and Ājīvika ascetics, who retired to such places for pious meditation and religious exercise far away from the noise and bustle of inhabited areas. These are usually referred to as *Pañcapāṇḍava paḍukkai*. How they came to be so-called is, however, a matter for speculation. Near the cavern in the boulder at Kuṉṟakkuḍi is a rock-cut well which must have supplied water to the residents in the cavern.

A Brāhmī inscription is found engraved on the inner side of the brow of the rock overhanging the cavern. It was copied and noticed by V. Venkoba Rao in the Epigraphy Report, Madras, for 1909.[1] The inscription however does not appear to have been read and interpreted so far. Even the three scholars H. Krishna Sastri, K. V. Subrahmanya Ayyar and C. Narayana Rao, who have worked on the Brāhmī inscriptions of the Tamil country, have not taken it up for study, though they have studied those that were collected by the Epigraphy Department even after 1909.[2] Apparently this is due to the peculiar manner in which the inscription has been incised on the overhanging brow.

This is a short record consisting of only eleven letters. It is written not only upside down but also in the reverse form. As one stands on the floor and sees the writing on the overhanging brow he finds that the top portion of the letters is at the bottom while their base is at the top. Further the letters are incised reverse as found in the matrix of a seal and the record has therefore to be read only with the help of a mirror.

All the letters in the inscription, except the third one, which is damaged, are clear. The inscription reads:

Ū pi [ū] ra a ta ṉa ca ta ta ṉa

While editing the inscriptions in the Brāhmī script recovered from Bhaṭṭiprolu Dr. Bühler has remarked that of the vowelled consonants in Drāviḍi inscriptions those with the addition of the symbol *ā* long, have to be read only as denoting short *a* and that *ā* long is denoted by the addition of a vertical line hanging downward at the right of the horizontal stroke to the right of the consonant. As such consonant letters without an additional symbol have to be treated as pure or vowel-less consonant.[3] Following this principle one has to treat as basic consonants the two *na's*, the first of the two *ta's* and the *ra* in the Kuṉṟakkuḍi inscription and read it as

Ū pi [ū] ra Ataṉ Cattaṉ

Ūpiūr is obviously the name of a place. The word *Ataṉ* looks very similar to the word *Ātaṉ* one meets with in early classical

1. 44 of 1909; *Rep.* pt. ii. para 6; 1910. pt. ii. para 5.

2. *Proceedings of the All-India Oriental Conference,* No. I, pp. 327 ff; No. III, pp. 275 ff; *New Indian Antiquary,* No. I, pp. 362 ff.

3. *Epigraphia Indica,* Vol. II, p. 324.

literature. It has been suggested that the word *Atan̲* or *Ātan̲* is derived from the Sanskrit word *āpta* which is a synonym for *arhat,* the Supreme Lord. The word *arhat* is found in use not only among the Jainas but also among the Buddhists and Ājīvikas. From the Tamil poem *Nīlakēśi* it is learnt that the word *āpta* was used by the Ājīvikas to denote exclusively the founder of the religion (Makkhali gōśāla) Mar̲ kali.[4] Even in a late Kannaḍa inscription of the thirteenth century A.D. from Śravaṇa Beḷgoḷa the word *āpta* is used; and it is obviously a reference to the holy men among the Ājīvikas.[5] Therefore, the word *Atan̲* or *Ātan̲* is derived from the word *āpta* and obviously means a holy person belonging to the Ājīvika faith. Cattan̲ is probably the name of a person.

Thus the inscription would mean the holy person Cattan̲ of Ūpiūr. Possibly he was the resident of the cavern.[6]

The record as one sees it from the ground

Reverse form

Correct form

4. vv. 670, 671, 683 etc. (A Chakravarti's Edn.).

5. See A. L. Basham, *History and Doctrines of the Ājīvikas,* pp. 79, 125, 244 and 276.

6. This paper is based on a photo-copy of an impression of the inscription kindly supplied to me by the Government Epigraphist for India, Ootacamund. I take this opportunity to express my grateful thanks to him for the same.

The Economy of the Sangam Age*

by

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The age of the Sangam, now generally placed roughly in the millennium between B.C. 500 and A.D. 500, is a period at which the historian of South India marvels, because it is an age of wonderful achievement on all sides. The economy of this age is the economy of self-sufficiency to reach which modern India is making herculean efforts to-day.

The poems of the period, which are quite large in number, give us a vivid idea as to how this ideal was attained in South India of early times in all the three great branches of economic activity—agriculture, industry and trade. India is known to-day as an agricultural country but is not made to think quite in that line. New and newer kinds of industries claim the attention of the people everyday in an increasing measure to the detriment of land and production of land. To the men of the Sangam times, on the other hand, land was everything and they took great care to see that it yielded to its full capacity. In this they found the key to economic self-sufficiency, for which we would sigh in vain, unless we assign agriculture its due place in our economy.

Expressions like "viḻunirvēli nādu kiḻavone" occurring in *Purananuru* in singing the greatness of the king, forms of blessings addressed to him by the poets of the day as "Nerpala polika pon perithu sirakka" found in *Ainkurunūru* and the wish of the poet, who blesses his patron, King Selvakadunko-aliathan, with long life, that he may live as many years as the grains of paddy grown in his kingdom all unmistakably bring before our eyes both the fertility of the soil and the importance of agriculture during this period of the sangam.

* Summary of lecture delivered under the auspices of the Madras University Extension Board, Tuticorin on 3rd March 1958.

The kings in their own turn measured their greatness with what they had done for the growth of agriculture. A famous poem of the period attributed to the poetess Avvai blesses the newly crowned king of the Cōla country by first blessing the field bund, for, she said, in the measure in which the field bund rose in height the water in the field would rise and with it the height of the crop and the prosperity of the king. The same idea is conveyed to us in numerous poems of the period.[1] It is well-known that Karikala Cōla dug tanks for purposes of irrigation and his embankment of the Cauvery with workmen from Ceylon is borne out not only by our literary sources but also by the evidence of the Buddhist chronicles of Ceylon. Tanks in existence feeding agriculture are mentioned by several poets of the period. The poem *Maduraikkāñji,* for example, makes mention of "rivers filling the tanks all along the way as they ran towards the eastern ocean" and another poem, *Porunarāṟṟuppadai,* speaks of "tanks well-bunded and safe".[2] It is significant that many poems in the *Pattupāttu* collection end in praising the yielding capacity of the land by way of praising the kingdom and the king. The lines with which *Porunarāṟṟuppadai* ends give us almost the formula with which several poems of the period end:

> "Each plot enclosed five acres in extent
> Produces paddy thousand kalams full.
> This is the land that Cauvery well sustains
> And this the realm the king doth own."[3]

The important place agriculture held in the eyes of the people during this period is brought forth even more clearly by the literary works of the times. Not without reason does the early grammar *Tolkāppiyam* in the 5th century B.C. divide the country on the basis of the yield of the land into the well-known classification of the *marutham, mullai, kuriñji, pālai* and *neydal* in the respective gradation of the yielding capacity of land. *Tirukural,* in a later day, devotes a whole chapter in praise of agriculture and makes the remarkable statement that earnest cultivation of the soil is the most honourable work one can have on the face of the earth. The author of this work, adored by the Tamil speaking

1. For example see Puram, 351, 367, 392, etc. in one collection alone.
2. Maduraikkāñji, 245-49; Porunaṟṟuppadai, 289.
3. Porunaṟṟuppadai, last lines (Translation by J. V. Chelliah).

people as the gospel of good life, holds that with diligent cultivation there could be no poverty:

"Ilamenru assayi iruppārai kānin
Nilamenum nallāl nagum."[4]

The contemporary work *Silappadikāram* says that the happiness of the beggar and that of the king both depend on the cultivator :

"Irappōr surramum purappōr korramum
Ūlavidai vilaippōr.

The sangam works also refer to the general methods of cultivation. Reference is made to the wheel, probably used in drawing water from the well, the plough and the yoking of the oxen, sowing and weeding, which last is mentioned in these works as 'palliyāduthal'.[5] The term seems to refer to a teethed instrument used in the process of weeding. Ploughing was done carefully by making the 'kolu' or the point of the plough go deep into the soil. One of the songs in *Puram* speaks of ploughing the land "until it grew dizzy" (*bhumi mayanka pala uluthu*).[6] In this way rice was grown in plenty and sugarcane in equal measure in the *marutham* land, all kinds of pulses in the *mullai,* and bamboo, fruit trees and the spices in *kuriñji.* Sometimes by the labour of individual farmers even the *mullai* yielded like the *marutham* and the peacock, which always liked to stay in the fertile region of the *marutham,* so says the poet, wandered often into the *mullai* mistaking it for the *marutham.* In Kural 1037 it is said that the land was so well ploughed that the use of manure was scarcely necessary.

The prosperity of the ploughman in the sangam age is sketched most strikingly in the classics of the period. *Siruppānārruppadai* mentions the generosity of the farmer to all those who visited his house and the good rice and curry to which they were invited while the companion work *Perumpānārruppadai* refers to the comfortable dwelling of the farmer. *Puram* 120 sings the general prosperity of the farmer in the following manner: "In the proper season the farmer harvests *varagu, thinai* and *avarai* and cooks

4. Kural, 1040.
5. Perumpānarruppadai, lines 188-89, 198-201; Puram 120, 201 etc.
6. Puram, 120, line 3.

in new pots and holds a feast on the occasion, all the people in the house partaking of the liquor, which had been buried for the purpose for a long time under the ground." This harvest dinner is referred to in many other poems of the period also. In *Agam* 116 the dinner in the fertile land of the *marutham* is mentioned and the poem refers to the pining of the wife for the absence of her Lord at such a happy function:

> "If the carts in which the reapers carry their liquor get stuck in the mud, they heap up below the wheels the stalks of sugarcane. O Lord of this land where flows the river, you have lost all sense of shame, for, they say, you are constantly playing with your mistress in the flood."[7]

South India of the Sangam times understood well the value of cattle wealth. It was considered among the primary duties of the king to protect the cattle of his kingdom. It was the obvious logic of the people that to take care of the cattle was to increase the wealth of the farmer, which in its own turn increased the wealth of the king. Thus cattle-lifting became the beginning of war between kingdoms from very early times. The cattle were well-fed and properly taken care of. An ode in the *Puranānūru* collection compares the buffalo, for example, to a block of granite.[8] Such well-fed cattle naturally yielded a good quantity of milk. Milk and milk-products like curd, butter, butter-milk and ghee are often referred to by the poets of the age. One among them, the poet Kōvūrkiḻār, compares the sound produced when ghee is poured into the frying pan to that of the rain falling into a pot. Another poet beautifully describes the generous use of ghee by the people of the day in a line which reads thus:

> "Nīrnāna nei vaḻangiyum".

But for the evidence of the Sangam poems again we could scarcely suspect the great industrial activity of the period. They bring before our mental eye numerous kinds of industrial workmen like the goldsmith, the blacksmith, the copper-smith, the conch-cutter, the leather-worker, the carpenter, the potter, the painter, the sculptor, the architect and the last but by no means the least, the weaver. The twin epics, as they are called, *Silappadi-*

7. Translation by P. T. Srinivasa Iyengar.
8. Puram, 5, line 1.

kāram and *Manimēkhaḷai* alone give us enough information about all these various kinds of workers and the great industrial activity of the times. It is true that there were no factories as we have to-day in this age of Industry, and even the weaver's art which had reached a high degree of prosperity during the period, was a domestic industry. The work of spinning was generally assigned to widows (*āḻilpendir*) in houses and so was painting also practised, though widely, within the four walls of one's house. But the wonder is not that these industrial arts were domestic in character but that under such circumscribed conditions they had reached such a state of perfection as to call for the admiration of the Greeks and the Romans—the best connaiseurs of art at that time.[9] The Tamil poets who describe the garments made in South India during the period as having been fine as the falling cascade and the vapour emanating from boiling milk as, for example, in *Kurinjipāttu,* must have described them as they found them, since the Roman merchants, who had seen them describe them as having been so fine that a whole piece of cloth could be made to pass through the compass of a ring that a man wears on his finger. The description of the still ship in Coleridge's *Ancient Mariner* as being like "a painted ship on a painted ocean" is echoed in the description occurring in one of the odes of the *Puram* where the still ship is compared to a motionless fortress of the neighbouring chieftain. *Manimekhalai* compares the beauty of the park in Puhār to that of a painted carpet. Surely the painter's art also had reached a state of very high perfection and *Silappadikāram* refers to picture houses selling varieties of painting in the town of Puhār. So was also the trade of the architect, the carpenter, the blacksmith and the goldsmith and the unforgettable reference in *Manimēkhalai* to the collaboration of architects from Mahārāshtra, blacksmiths from Mālwa, jewellers from Magadha and carpenters from Greece and Rome with like workmen of the Tamil country[10] shows the way in which these industries and trades developed during this period. But for such combination the numerous ships in which the Tamils are said to have crossed the seas at this time could not have been built, nor the numerous weapons of offence and defence, including bridges, to which *Silappadikāram* makes pointed reference, made.

9. See Rostovtzeff, *Social and Economic History of the Roman Empire,* p. 93.

10. Manimēkhalai, XIX, lines 102 ff.

This brings us to the state of trade during the period. It is now an established fact that the transmarine commerce of the Tamils dates as far back as 4000 B.C., when they had traded with the Chaldeans, with countries like Iran and Iraq and with cities like Babylon and Tyre.[11] The evidence is clear on the point that King Solomon the Wise in 1000 B.C. bought gold, silver and ivory, apes and peacocks from the Tamil country.[12] From the Tamil side evidence of this commerce comes to us only from the age of the first Sangam and that is because our evidences of the past have survived to us only from this period. This evidence, however, is found in *Tolkāppiyam* itself, which makes us understand that in its time the sea-going habit had become an established one.[13] In the IV century B.C., we have the evidence of Megasthenes, who speaks of the Pandyan pearl, the *Kāvaṭa,* as an article of export to his country.[14] This pearl, as its name indicates, must have been taken from the sea at Kavātapuram, the seat, as we know, of the second Sangam. As early as the I century A.D. a seaman's guide had been composed by an unknown author and it was taken for further elaboration by Ptolemy in the II century. Thus we know that the progress of this transmarine commerce when once begun was steady throughout the period of all the three sangams. In the period of the third sangam it had become a custom with the people to explain things with reference to the sea and other nautical matters. An ode in *Puram* accordingly describes the utter grief of a person as that of a man sinking in the sea on a rainy night.[15]

The volume of the Indo-Roman trade of the period of the third sangam must have been immense. The value of the Indian cloth, precious stones, spices, peacocks, elephants and apes was such that the Tamils drove a thriving trade in these articles and animals with the Greeks and the Romans. The pepper of South India is said to "have mitigated the cooking of the Western world for more than 2000 years".[16] Such was the permanent nature of this Indo-Roman business that numerous Roman colonies were set up during this period in South India. They were established not only in the

11. See Sayce; *Hibbert Lectures,* p. 137.
12. Kings., ix, 10.
13. Tolkāppiyam, 980.
14. Arthasāstra (Shāma Sāstri), p. 83.
15. Puram, 238.
16. Warmington, *Commerce between Roman Empire and India,* pp. 274 ff.

three capital cities of the day. Madurai, Puhār and Vañji but also even in interior places like Karūr, Pērur, Coimbatore, Pollāchi. Kāngayam, Dhārāpuram, Kaniyāpūṇḍi (near Avanāshi) and Kalyāmuthur (near Paḻni) and all along the coast line. From all these places numerous coins of the Romans have been unearthed in recent times and they evidence the Roman colonies once set up in these places. A Roman factory seems to have existed in Pondicherry, as seen from the excavations at Arikamedu, where Roman coins, pots and even pieces of glass used by the Romans have been unearthed. Though the Tamil poets of the age mention prominently only four ports, Puhār, Korkai, Tondi and Musiri, the Roman writers speak of many more like Podukā (Pondicherry) and Sopōtama (Negapatam). The two ports of the Cēra country, Tondi and Musiri near Vañji, are carefully mentioned by the Roman writers and reference is made by Periplus to the port of Kanyākumāri, "Comāri to which last came men and women to dedicate their virginity, for it is told that a goddess once dwelt there and bathed".

The Roman imports were in the shape of coins, coral, wine, lead and tin and the exports were to a large extent paid by them. Though barter was the order of the day, Roman gold was drained off from the capital in a large measure by the exports from the Tamil country and the lament of Tacitus, the historian, and St. Paul, the Apostle, about the waste of good money on luxuries from South India furnish sure evidence on this point. Pliny writing about 50 A.D. gives an account, he heard from the members of a Sinhalese embassy about the 'Seres' with whom the Singhalese had traded. They are described as tall well-built people with no commercial language and that the trade was effected by means of barter on the banks of rivers. The passage in question runs thus:

> "Ultra montes Hemodos Seres quoque ab ipsis adspici notos etiam commercio, patrem Rachiae commeasse eo, adventis ibi Seras occursare. Ipsos vero excedere hominum magnitudinem, rutilis comis, caeruleis occulis, oris sono truci, nullo commercio linguae. Cetera eadem quae nostri negotiatores fluminis ulteriore ripa merces positas, juxta venalia tolli ab his si placeat permutatio".[17]

17. Pliny, *Natural History,* VI, 22-24.

Though many commentators of this passage have found the 'Seres' referred to here in far-off Central Asia, Kashgar and N. W. China the better and more reasonable equation of these people must be with the Cerās or the people of the West Coast of South India and the mountain referred to as forming the background of their habitation must be the Western Ghats. For one thing it is impossible to think that the Singhalese traded in those early time with countries like China and Kashgar. Trade for the Singhalese with the West Coast of South India must have been, on the other hand, both possible and natural. Further, Pliny seems to give the seal of certainty to this identification, when he concludes the passage above quoted by saying that the account of the Singhalese embassy agreed with what the Roman merchants themselves had told people in Rome, "Cetera eadem quae nostri negotiatores" (the rest of the story of the embassy agreed with the reports of our own merchants).

If the foreign trade of the times was vast, the internal trade of the country was not less so. It went out far beyond the cities into the remotest villages, the goods of sale being carried in carts. We have numerous references in our poems to carts passing with merchandise one behind the other in caravan-like fashion. The Tamil poets refer to this procession of carts as *vandichāttu* and *Puram* 116 speaks of girls keeping count of these passing carts, "just for play". Salt was vended mostly in this manner from the coast to the interior and many more articles of necessary consumption like rice, spices and vegetables were transported in the same manner from the interior to the coast. The twin-epics, on the other hand, give us ample evidence of the prosperous bazaars of cities like Puhār and Madurai. There can be no doubt that internal trade was in a high state of prosperity and many merchants were rich and prosperous. Barter was the general rule of the day in internal trade and *Pattinappāli* mentions in one place that curd was exchanged for paddy. Other transactions also must have been done in the same manner.

Literary and Philosophical Works of Tarigonda Vengamamba, A Woman Saint

by

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Tarigonda Vengamāmba[1] is well-known in Telugu literature as a great poetess and philosopher living about 1840 A.D. Her place in the galaxy of women saints has already been brought to the notice of the scholarly world through the illuminating article on Vengamāmba by my revered Swāmi Chirantanānanda in the work entitled "Women Saints of East and West."[2] Vengamāmba made everlasting and outstanding contributions to Telugu Literature in general and philosophical literature in particular. She has not only written a Mahākāvya of the classical type, but composed works in Dēśi or indigenous types of literature like Dwipada, Śataka, Yakshagāna and Gēya. Thus she has touched almost every branch of Telugu literature. But a critical study of her works has not yet been undertaken by scholars; and I propose in this article to present the literary life of this venerable poetess, and a description of her works to enable scholars for undertaking such a study.

In the case of Vengamāmba,[3] a study of her works, especially the works relating to philosophy, will open to us a new field of investigation into the philosophical literature in Telugu, beginning with Līlānanda Sarvēśwara-śataka of Yadhāvākkula Annamayya

1. The house-name is derived from the village of Tarigonda, in Vāyilpādu Taluq of Cuddapah District (Rāyalaseema-Andhra Pradesh). The original name of the place is Tarikunda (Churning pot) and preserves the legend that the presiding deity of the village first appeared in that spot in a churning pot. Tarigonda is a variation of popular usage of Tarikunda. However Vengamāmba strictly adheres to the popular usage i.e. Tarigonda.

2. Chapter XII, pages 86 to 93. Published by the Rāmakrishna Vendanta Centre.

3. Vengamāmba derives her name from Vengadam (Venkatāchalam, Tirupati kshetram). In popular usage, it is spelt as Sanskrit scholars tried to give a derivation to it i.e. Vēm-papam, kata-dahayatīti Vēnkata. Vengamāmba throughout her works styles herself as Vengamāmba only and not Venkamāmba.

(1242 A.D.). During the 13th and 14th centuries, this literature is fostered by the writings of Śivadēva, Bhavadūra, Śarabhānka, Vatamūla, Chinmaya, Siddēśwara and Sômaśekhara. Vēmana (1412-1480) is a landmark in the Telugu philosophical literature. From 1500 A.D. onwards, this whole literature was permeated with the Dattātrēya cult. We have a number of works in Telugu relating to this cult both in prose and verse on Vedanta philosophy beginning with Dattātrēya yogi and his disciples: Paramānanda Yôgi, Janārdana Brahma, Mallana, Lingāvadhūta, Vēgināti Kondaya — the last great representative being Paraśurāmapantula Lingamūrty Gurumurty author of Sitārāmānjenēyasamvādamu in the eighteenth century.[4]

In the nineteenth century, Vengamāmba, though not a direct follower of this cult, was yet influenced by it as we will see later on. She was also perhaps the last of the writers to write subjects relating to philosophy in poetical form; as almost all the works written afterwards are in prose. The only exception is Kanuparti Venkatarāma Vidyānandanātha, a contemporary of Vengamāmba; his work "Kaivalyānavaneeṭamu" is a poetical work in two parts (Sandēhanivāraṇaprakaraṇa and Tattwabôdhaprakaraṇa) and is very popular, having undergone five editions. Thus a study of the philosophical works of Vengamāmba will give a great impetus for constructing a history of Philosophical Literature in Telugu.

The works of Vengamāmba, as already stated falls under two categories (A) Literary and (B) Philosophical. They will be enumerated under the different types to which they belong:

A. *Literary*:

1. Kāvya or Prabandha: Venkatāchalamāhāṭmyamu.
2. Śataka: Taṛigonda Nārasimha Śaṭakamu.
3. Dwipada: (i) Bhāgavaṭamu; (ii) Ramāpariṇayamu; and (iii) Nārasimhavilāsa katha.
4. Yakshāgāna: (i) Śivanātakamu; (ii) Krishṇanātakamu; Pārijātāpaharaṇamu; (iv) Chenchunātakamu; (v) Rukmiṇīnātakamu; and (vi) Gôpikānātakamu.
5. Gēya:—Manjari—Śrikṛishṇamanjari.

4. This subject requires a separate and fuller treatment. Paramānanda Yôgi, the chief exponent of this cult alone has written many works, one of which has been rendered into Tamil. Another opportunity will be taken by the present writer to acquaint the scholars with a complete history of this Dattātrēya cult and its literature.

B. *Philosophical*:

1. Dwipada: (i) Rājayôgasāramu; and (ii) Vāsiṣṭa Rāmāyaṇamu.
2. Yakshagāna: Muktikāntā vilāsamu.
3. Padya: Aṣṭāṅgayôgasāramu.

Chronology of the Works

In the 'avatārika' or introduction to Dwipada Bhāgavatam, Vengamāmba acquaints us with a list of her works from the beginning of her literary career. She humbly admits that she has not studied under any teacher. She was not even given the opportunity of learning, the first letters generally styled as 'Onamālu'.[5] She says:

> "*nāchinnanāta nônamālanaina*
> *nāchāṛyulevaru nākānatīlēdu*"

(In my early age, no teacher taught me even the ônamālu). She further says that God in the form of a Guru, bestowed on her all the learning and the art of poetry. Her first attempt at poetry is Narasimhaśatakamu, and then she wrote Narasimha vilāsakatha, Śivanātakamu, Rājayôgasāramu, Ramāpariṇayamu, Chenchunātakamu, Krishṇamanjari, Rukminīnātakamu, Gôpikānātakamu.

From the above it is evident that Vengamāmba has taken up Dēśī types like śataka, Dwipada and gēya, and equipped herself to write a mahākāvya or Prabandha. In Venkatāchalamāhātmyamu, she says that she has written it after Bhāgavatamu. After Venkatāchalamāhātmyamu, there are still two works written by her: Vāsiṣṭa Rāmāyaṇamu and Muktikāntā vilāsamu. These two are not mentioned before, and therefore it is correct to surmise that these are her last compositions. The philosophical nature of the works themselves reveal the fact that Vengamāmba after writing on subjects relating to the mundane world, turned her thoughts to exclusively on spiritual world, by writing Muktikāntāvilāsamu and attained Mukti or liberation. From the above chronology, we can state without contradiction that Narasimhaśatakam is the first, and Muktikāntāvilāsamu is the last of Vengamāmba's works.

5. 'Onamālu' is a contracted form of the mantrā 'Om namaśśivāya siddham namah'. When a boy or a girl comes of school-going age, will be first made to write the above mantrā on a plate-filled with rice, and then sent to school. They were also made to utter the mantrā. Generally the teacher initiates the school-going ceremony.

Yôgavidyāchāryās of Vengamāmba

Though Vengamāmba did not mention any vidyāguru, she has given in Rājayôgasāramu, a succession list of yôgavidyāchāryās (Guru parampara) up to the time of her own guru Subrahmaṇya :

(1) Sômēśwara; (2) Vidyāraṇya; (3) Brahmēndra; (4) Swayamprakāśa; (5) Satchidānanda; (6) Mallikārjuna; (7) Avadhūta Dēśika; (8) Paramahamsa; (9) Badabānala; (10) Yôgānanda; (11) Ajitēndriya; (12) Nityānanda; (13) Niranjana; (14) Bôdhānanda; and (15) Subrahmaṇya.

At the end of each prakaraṇa in the same work, we find that the name of Sômanātha or Sômēśwara Guru is mentioned. Since this is a work relating to yôgā philosophy Vengamāmba rightly dedicates her work to the first of the Āchāryas.

Among the above, the following seven Gurūs are identified :

(1) *Sômēśwara or Sômanāthā* : is mentioned by Vēmana, as one of his predecessors and preceptors :

"Bhavadūrudu,[6] Śarabhānkudu
Śivaśeeludu veyugōti siddēśwarudun
Śivabhrityudu Vatamūludu
Śivamaya Chinmayudu Śômaśēkharagurudun".

"Bhavadurudu, Sarabhankudu, Siddeswarudu, Vātamuludu Chinmayudu Somasekharagurudu are my Gurus".

It may be remembered in this connection that Sômaśēkhara is also the Guru of Bammera Pôtana of Āndhra Bhāgavatā fame.

(2) *Vidyāraṇya* : is the well-known Advaitāchārya and founder of Vidyānagara (Vijayanagara).

(3) *Satchidānanda Guru* : may also be identified with Akhanda Satchidānandāvadhūta, who wrote 'Nārada Purūrava Samvādamu.'

6. This verse appears in the translation of C. P. Brown in English. But the meaning of the verse requires thorough modification in the light of new information available now regarding the names mentioned by Vēmana. See below :

"The unborn the slayer of Sarabha endowed with the qualities of Siva and the lord of a thousand million Demi-gods; the servant of Siva who sitteth at the root of the sacred Banyan, He that is endowed with the wind of Siva, the sage Somasekhara is my teacher".

(4) *Mallikārjuna*: It is presumed that Vengamāmba refers to Mallana, the author of Ramasṭavarājamu, a very popular work in verse relating to Yôgā philosophy. The author lived two centuries before Vengamāmba. Mallanā is a disciple of Dhēnuvakonda Timmaya, the disciple of Dattātrēya Yôgi.

(5) *Avadhūta Dēśika*: This gurū may be identified with Puruśhôṭṭamāvadhūṭa in whose name, a śatakā was written with a makuṭā: Śrīpurushôṭṭama Deśikôṭṭamā, by Allūru Pundarīkaskudu (the work is unprinted. See Śatakakavula Charitra, page 800 Appendix: by N. Venkata Rāo).

(6) *Yôgānanda*: may be identified with Yôgānandāvadhūṭa, known to use as the author of Ātmaikyabôdhā in Telugu. He is the disciple of Lingaguru (D 2063).

(7) *Niranjana Guru*: is mentioned by Śrīnātha in Haravilásamu as Niranjana Rāmanāthayôgi (1-19).

(8) *Subrahmanya Guru*:[7] Guru of Vengamāmba.

The above identifications are tentative and further researches in this line may bring out useful information for arriving at definite conclusions. One important fact must be remembered in this connection, that with the exception of one or two in the above Guru-parampará, all the others have written works in Telugu regarding Vēdānṭā Philosophy.

Description of the Works

Tarigonda Nārasimhaśatakamu: This is a śataka containing 103 stanzas with a makuta, addressing the deity of Tarigonda Śrī Narasimhaswāmy, as 'Tarigonda Narasimha dayāpayônidhī'. It is in champakā and utpalamālā metre. Being the first attempt at poetry by Vengamāmba it contains many errors of grammar and prosody. But from another point of view, the work is very important, as Vengamāmba in this śatakā, treats some of the principles of Yôgā philosophy developed afterwards in her later works.

The work was edited and published by the late wellknown Orientalist Sri M. Rāmakṛishṇa kavi, in the Journal of Sri Venka-

7. This Subrahmanya Guru may be identified with Penuwarti Subrahmanya Guru to whom, a philosophical work named Māyanirālambamanjari. (Telugu Dwipada) is dedicated. In this work Subrahmanya Guru was highly praised.

tēśwarā Oriental Institute Tirupati, Vol. V: Part II (June-December 1944), pp. 1-16. (See also Śataka kavula charitra by late V. Subbā Rāo, revised and edited by N. Venkata Rāo, Appendix: page 798).

Padyakāvya

Venkatāchalamāhātmyamu: is the *magnum opus* of Vengamāmba. Her name itself is the name of the kśhētrā. She was a great devotee of Lord Sri Venkatēśwara, and incidentally her husband's name happened to be Venkatāchalapati. In all her works we find that Vishṇū and Lakśhmī are regarded as Venkatēśwara and Alamēlu-Manga. She was devoted to Venkatēśwara that she made Tirupati as her abode, and spent a great portion of her later life there. Tradition asserts that she attained siddhi in Tirupati.

The work contains six cantos and contains 1577 Gadyapadyās (verses interspersed with prose). There are Sānskṛit ślōkās at the beginning and also at the beginning of the sixth canto; in which an analysis of the work is given.

The first three cantos: Stories taken from Varāhapurāṇamu.

The fourth and fifth cantos: Stories taken from Bhavishyōttarapurāṇamu.

Both the above Sānskṛit texts contain fortythree adhāyās (30 + 13).

The subject matter for the sixth canto is taken from Padmapurāṇam and is separately named as Vīralakshmī Vilāsamu. Though in the previous cantos she closely followed the original texts, in this canto, she had to write much original matter, as the material in Padmanpurāṇam is meagre.

In the third canto of the work, Aṣṭāṅgayōga is treated in detail from 87th to 172 verses with descriptive and explanatory prose passages, and occupy eighteen pages in print.

One peculiarity in this prabandha is that, when there will be only one 'Iṣtadēvatāstuti' (adoration to favourite deities) in all others, here there are three of them, one at the beginning of the work, another at the beginning of 4th canto, and the third at the beginning of the sixth. This is quite appropriate, as Vengamāmba followed this rule, whenever there is a change in the original from which she has drawn the material. This work contains high-class

and yet intelligible poetry and deserves a careful and intensive study. (*Editions*: 1. Old Printed Edition—about 1885. Particulars not available. 2. Printed by V. Rāmaswāmy Śāstrulu & Sons, Madras 1914. This edition is edited by Sri Ālūri Vāsudēvayya).

Dwipadās

Bhāgavatamu: This work is already referred to. It describes the stories of Bhāgavatā in Sānskṛit. This Telugu work is not a rendering of the Sānskṛit original but a Dwipadā version of the champū or padya-kāvyā of the immortal Āndhra Bhāgavatamu by Bammera Pôtana. Vengamāmba had a great regard for Pôtanā and she pays homage to him in her Venkatāchala-māhātmyamu. She has meticulously followed Pôtanā and preserved the text of Bhāgavatamu. Vengamāmba has completely written the twelve skandās, but the whole-work however is not available.

Manuscripts:

1. *1 to 6 skandās* No. 1013: Paper: Government Oriental Manuscripts Library, Madras (vide Descriptive Catalogue of Telugu Manuscripts Vol. IV, Dwipada, pages 1327-1331).
2. *10th or Daśama skandā*: Palm-leaf manuscript available in the Theosophical Society Library, Adyar.
3. Skandās 1 to 3 available in the Manuscript library of Sri Venkatēśwara Institute, Tirupati: Dwipada Bhāgavatamu, S. No. 7410 (a) Substance Palm-leaf size 20 x 1½ inches, leaves 43: Lines 9 character Telugu, condition injured; incomplete. Contains skandās from 1-3. Journal of Sri Venkatēśwara Oriental Institute Tirupati Vol. IX: pages 103-105.
4. Some portions of this Bhagavata are printed in "Grihalakshmi" monthly journal published by Kēsari Kuteeram, Madras, 1930.

Ramāpariṇayamu: This work describes the marriage of Vishṇū and Ramā (Lakshmi) as Venkatēśwarā and Alamēlumanga. Vengamāmba wrote this work in such a popular style that it can be sung at the time of marriages.

This work is unprinted. (Paper manuscript No. R. 1057 G.O.M. Library, Madras).

Narasimhavilāsakatha: This work is not available.

Yakṣhagānās

In this branch of literature Vengamāmba occupies a prominent place. No doubt there are some poets and poetesses who composed Yakṣhagānās. But nobody has written half-a-dozen yakṣhagānās as Vengamāmba. These works reveal not only her proficiency in Sāhitya, but in Sangīta also, as Yakṣhagānā is a combination of the two arts.

1. *Śiva-vilāsamu or Śivanātakamu*: This is dedicated to Rāchavīti Vīrabhadra. The plot is on the lines of Pārijatāpaharaṇā, in which there is a quarrel between Rukminī and Satyabhāma. Vengamāmba here introduces not a flower of Pārijāta tree but a gem necklace and raises the quarrel between Gangā and Gauri, the consorts of Śivā.

Manuscripts:

The work is unprinted.

Paper Manuscript No. 2175. Telugu Academy, Kakinada. Palm Leaf-Manuscripts No. 32E19 and 32H8, Theosophical Society, Library, Adyar.

2. *Krishna-nātakamu or Bālakrishna nātakamu*: This yakṣhagāna depicts the search of Śrī Krishna by Gôpikās in Brindāvan, but the main theme is the appeasing the anger of Rādhā by Śrīkrishna.

Manuscripts:

Palm leaf manuscript No. 1566, Telugu Academy (incomplete).

3. *Pārijātāpaharaṇamu*: This is a big yakṣhagāna, describing the well-known story of the Pārijāta tree being taken by Śrīkrishna from Indralôka, and planted in the garden of Satyabhāma in Bhulōka. In this yakshagāna, the art of Vengamāmba reached the high-water-mark. This is also known as 'Viṣhṇupārijātamu'

Manuscript:

Paper R. No. 1056 (G.O.M. Library, Madras).

At the end of this manuscript there is a note regarding the transcription of the work; which gives some details relating to the domestic life of Vengamāmba. It reads:

"Durmukhināma samvatsara Āṣhādha-śuddha 6 guruvāramunaku sariyaina 1896 vā sam, July nela 16 tēdīna, Śrī

Tarigonda Vengamma gāri munimanumadunnu, Vengamma gāri kōdalaina Chengamma gāriki manumadaina Garidimi Gummanna kumārundaina Gangādharappa, Gadamsetti Pullayya vrāsina asalu mātrikanupatti nētiki Sampūrṇamuga grandhamu pūrtiga vrāyadamainadi". The English translation of the above Telugu passage is this:

On July 16th, 1896, Garidimi Gangādharappa, the great grandson of Tarigonda Vengamma Gāru, the son of Garidimi Gummana has completed writing this manuscript, based on the manuscript written by Gadamsetti Pullayya.

From this, we learn that Vengamāmba has led family life for sometime, had a son, and that her daughter-in-law is one Chengamma. Chengamma had a daughter, who was given in marriage to Garimidi Gummana and to this couple was born Gangādarappa, the present scribe of the manuscript. By this note, we can set aside the stories current about Vengamāmba that she became a widow, when she was young and did not enjoy domestic life.

4. *Chenchu nātakamu*: This work describes the story of a Chenchū couple who lost their only child being taken away by a tiger. They first pray to Tarigonda Narasimhaswāmy for help, and at his instance, they repair to Tirupati and worship Sri Venkatēśwara, who restores the child to the couple. The life of the Chenchūs (Hill tribes), their customs and manners are beautifully and vividly depicted in this nātaka.

There is a printed edition (a bazaar edition) for this work. It is printed in 1927, at American Diamond Press, Madras.

6. *Rukminīnātakamu* }
5. *Gôpīkanātakamu* } Both not available.

All the above works of Vengamāmba strictly adhere to the technique of Yakṣhagānā. They contain different varieties of musical compositions like Darum, Dwipadā, Manjari, Yēla Gobbiḷḷu, Suvvālalu, Dhavaḷamulu, Śôbhanamulu, Mangaḷahāratulu. The style and the nature of conversations employed by the poetess reveal her mastery over the Telugu language.[8]

8. See article on "Yakshagāna kavayitrulu" by Dr. S. V. Joga Rao, M.A., Ph.D. (Bharati, Vol. 32 No. 7, Andhra University, July 1955, pp. 47-55).

Gēyā: *Krishna Manjari*: This is in Manjari (a form of Dwipadā without prāsa) metre and contains 137 lines. Each line ends with an address to Krishna. This manjari contains Madhura Bhakti Bhāva, and is very popular.

There are many Kirtanas[9] relating to philosophy, as well as Krishna Bhakti by Vengamāmba which are still sung in many parts of the country by womenfolk. The work is referred to in Śatakakavula Charitra, pages 527-528, where an extract is given from it.

Philosophical Works[10]

We have already seen how Vengamāmba, even from her very first work exhibited her knowledge of yôgā philosophy and also touched the subject in her Venkatāchalamāhātmyamu. The four works described below her outstanding attainments in this field.

1. *Rājayôgasāramu*: The name given by the poetess is Rājayôgāmṛitasāramu. It is a dwipadā work in three prakaraṇās, and is the most popular work of Vengamāmba. This work is based on the Kapila Dēvāhuti samvada from Bhāgavata. It deals with the Panchavimśati tattwās, the Tāraka, and Amanaska Rājayôgā and hence the title Rājayôgamṛita sāra.

Manuscripts:

Nos. R. 31(a) 1-45. D. 2147, 75, 76 (G.O.M. Library, Madras).

Printed 1874: particulars not available.

Printed 1950: Vāvillā publication.

2. *Aṣṭāngayôgasāramu*: This work is in prose and verse. It deals with Aṣtāngayôgās, Aṣtādasāsanās, Mantra layā Hatha Rājayôgās and Panchavaśtās from practical experience. This is an explanatory work on the principles of Aṣtāngayôgā described in the third canto of Venkatāchalamāhātmyamu.

9. Some of these are printed in 1902 under the title Tarigonda Vengammagari Vachanamulu and appended to Swāntavarti śatakamu. Vide catalogue of Telugu Books in the British Museum Library, page 266.

10. Sri N. Satyanārāyana of Madras is making a special study of the philosophical works of Vengamāmba and is writing a treatise on them under Dr. T. M. P. Mahadevan.

(S. No. 7410 b).

Substance Palm Leaf; size 20 x 1½ inches Leaves 13, lines 8, Character Telugu condition injured; complete.

Vāsista Rāmayanamu : This is a rendering of Sānskṛit Vāsiṣta Rāmāyaṇamu which contains two parts, Gnāna and Yôgā. Vengamāmba gives a free but complete rendering of the work in five prakaraṇās i.e. Ādi- Dwitiya (Dwistiti) -Upaśamanā- Vidēhamukti and lastly Gnāna yôgā. It contains 4100 Dwipada lines and is dedicated to her Gurū Subrahmaṇya, who is praised in almost all her works.

Printed V. Rāmaswāmy Sāśtrulu & Sons, Madras, 1925. D. 1010 Paper Manuscript G.O.M. Library, Madras.

Muktikāntavilāsamu : This is a yakṣhagana, on the lines of Prabôdha Chandrôdayam in Sānskṛit. The plot of the drama is given below :

"Jagadīśwarā, the Lord of the Universe leaves Māyā and enters the abode of Muktikāntā in order to win her. Jnānakānta at the door obstructs him. There ensues a conversation between them. At this stage, Māyāśakti enters with Vairāgyā and Jnānāśaktīs and there arises a hot debate between Māyā, and Jnānā. Finally Jnānā succeeds and Jagadīśwarā marries Muktikāntā".

The work is printed in Madras in 1869 (exact date 4-6-1869) by Pasala Pārthasārathi Nāyanivāru at Vidvanmōdatarangini Press.

There is a Telugu work in the Tanjore Palace Library styled as "Muktikāntāpariṇayamu"[11] by Paramānandatīrthayati. This is also a drama of the Yakṣhagāna type in which Puruṣha or the individual soul takes Mukti or salvation for his bride. Paramānandatīrthayati is a direct disciple of Dattātrēya yôgi and therefore lived in the 16th century. He is a resident of Champakāraṇyakṣhētrā (Mannārgudi) near Tānjore and hence belongs to Southern School in Telugu Literature.[12] This work in parti-

11. Vide descriptive catalogue of Telugu manuscripts. T.M.S.S. Library, No. 557 and 558, pages 230-231.

12. The Southern School in Telugu Literature by N. Venkata Rao, published by the University of Madras. (See pages 459-465 for particulars about Paramānanda yati).

cular, as well as other work of the same name[13] Dattātrēyā cult might have influenced Vengamāmba to a great extent.

A critical and comprehensive edition of all the available Vengamāmba's works in two volumes is highly desirable.

Post Script:

While this article is going through the press I chanced to come across an interesting prose work in Telugu relating to the life of Vengamāmba styled as Targonda Vengamāmba Vijayamu. It was written by a great Sanskrit scholar and theologian Vidyāraṇya Panchānana, Vidyāvācaspati, Kallattūr Vikrāla Rāmachandrāchārya who lived from (1879 to 1931) and is an authoritative work.

During the Brahmôtsavam at Tirupathi in 1902, the author paid a visit to the temple and during the course of his stay there, he had the rare privilege of meeting a saintly lady named Vengamma, who is a disciple of one Alamēlu Mangamma, who in turn is a direct disciple of Tarigonda Vengamāmba. From this grand disciple the author was able to get some important details regarding Vengamāmba.

It is a well known fact that Vengamāmba was intimately connected with Tirupathi Kśhētra, and that all the later part of her life was spent at that holy place. The present work gives a complete picture of her spiritual activities at that place. It records some of the miracles performed by Vengamāmba. Once it is stated that there was a haughty and knotty discussion among scholars and temple priests, whether the temple at Tirupathi is Vaiśhnavite or Śaivite and the presiding Deity is Śiva or Viṣṇu. Our woman Saint was naturally approached for a solution on the problem, and she, with her spiritual insight and in a truly philosophical manner convinced them that the Deity represents absolute Brahman in different forms.

13. Muktikānta Parinayamu by Vēgināti Kondayya is a poem in three cantos relating to the same theme. It is dedicated to Dattatrēya yogi, and is unprinted.

Particulars of manuscript.

R 891 (G.O.M. Library, Madras).

Palmleaf size 15 x 1⅝" foll. 122 lines 7 to 8 on a page mode of writing fair and free from mistakes. Injured.

One important detail which we can get from the work is the actual date of Nirvāṇa or Eternal Samādhi of this woman saint.

The author says that this date is given by the above said Mangamma, who was actually present on that occasion.

The following is the Telugu excerpt from the work:

"Vengamāmbagāru Sahasrachandra darśana monarai, Eswara Samvatsara Srāvaṇa Bahuḷa Śahśtinādu Tirpathi Kondapaini Śrīnivāsamūrthi Charaṇāravindamula bondiri" (p. 80).

English:

"On the Srāvaṇa Bahuḷa Śhaśti day in the year Eswara, Vengamāmba after having seen one thousand lunar months became one at the feet of Śrīnivāsamūrthi at Tirupathi Hills".

The English equivalent of the above Eswara Srāvaṇa Bahuḷa Śhaśti is, 30th August 1877 and this is her Nirvāṇatithi.

Since one thousand lunar months are equal to 83 years 4 months, Vengamāmba might have been born in April 1794. So we might conclude that she lived from 1794 to 1877 A.D. The author of the work deserves our thanks for recording this memorable day not only in the life of Vengamāmba, but in Telugu philosophical literature.

The work is printed at Prabhāt Press, Nellōre, in 1932 and published by Sri Komandūri Venkatarāmānujāchārylu, as No. 6 of Vāgvalli publications.

A Trade Policy for India—Its Theoretical Setting*

BY

K. V. SRIRAM

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The success of the Second Five-Year Plan depends largely upon the availability of Foreign Exchange. It is estimated that there may be a deficit of Rs. 1,100 crores in foreign exchange requirements during the Second Five-Year Plan period.[1] The world Bank[2] has recently drawn attention to the necessity for a promotion of exports by fostering the competitive power of our export industries, in particular, our vegetable oil and cotton industries. In order to increase our foreign exchange earnings in the long-run public policy should be based on sound foundations. No nation at present advocates a policy of complete free trade. But there appears to be in some parts of the world to-day considerable movement towards freer trade. No matter how undesirable certain restrictions may be, their removal will have disrupting effects upon some groups.

Recently the Government of India have set up an Export Promotion Committee which indicates that the trade policy will receive a greater attention now than in the past. The Federation of Indian Chambers of Commerce and Industry have advocated[3] a liberal policy of export promotion. Although the Government have reviewed the export policy for certain agricultural commodities from time to time the policy has to a great extent been vague and discouraging.

* This paper is adapted from the Doctoral Dissertation submitted to the Purdue University, W. Lafayette, Ind. U.S.A. 1955. I am indebted to Professors J. W. Hicks and J. W. Wiley for their several criticisms and suggestions. I am greateful to Dr. M. H. Gopal, Madras University, for many helpful comments in the preparation of this paper.

1. *Export Promotion: A Study,* by the Federation of Indian Chambers of Commerce and Industry, New Delhi, 1956.

2. *Report of the Mission on Economic Programmes and Policies* of the International Bank for Reconstruction and Development, June, 1956.

3. *Export Promotion: A Study, Loc. Cit.* 1956.

The purpose of this paper is to indicate a theoretical basis with the help of which public policies, particularly, regarding foreign trade could be formulated. A study of the price, supply and demand structure for any commodity has to be approached in the setting of the general price theory in order to analyse its place in a competitive economy. For a commodity which involves innumerable inter-relationships between markets, the modern theory of international trade lends itself to a great extent as a helpful tool of analysis. Special applications of the general equilibrium analysis of the modern theory added to a partial equilibrium approach, seem to have practical as well as theoretical implications.

The Modern Theory of International Trade

The modern theory of international trade as has been presented by Bertil Ohlin is the result of the reshaping of an earlier theory developed by the Swedish Economist, Eli Heckscher.[4] Heckscher attempted to combine foreign trade with distribution of income and with the prices of the agents of production. Ohlin developed his theory of internatoinal trade through an application of the general price theory of Walras. The main contributions of Ohlin in the development of his mutual-interdependence theory of international trade are as follows:[5]

(1) Development of a theory of international trade which is in harmony with the mutual interdependence theory of pricing.

(2) The theory of international trade is developed as a part a general localization theory.

(3) He presents an analysis of the domestic and international factor movements and how they bring about the movement of commodities.

(4) Finally, he describes the mechanism of international trade with variations and international capital movements under conditions of gold standard and tries to show two things:

(a) that changes in the total buying power of each country are an essential part of such a mechanism, and

4. Heckscher, Eli, "The Effect of Foreign Trade on the Distribution of Income", Ekonomisk Tidskrift, Volume XXI, 1919. pp. 497-512.

5. Ohlin, Bertil G., *Interregional and International Trade,* Harvard University Press, Cambridge, 1952.

(b) that a solution of the problem of foreign exchange is tantamount to constructing a theory of international trade.

Ohlin's starting point is that he introduces money costs in place of real costs which have been the integral part of the classical doctrine of international trade. The mutual-interdependence theory attempts an explanation of how relative prices are determined within any single nation and tries to demonstrate why prices of identical goods differ between nations. "Inequality as to the relative commodity prices in the isolated state is a necessary condition for the establishment of trade."[6] According to Ohlin this statement is different from the classical doctrine of comparative cost. The distinction between the terms price and expenses of production is fundamental to the classical doctrine. Whereas price is taken by Ohlin to mean very much the same as "opportunity costs", which concept has been further developed by Haberler.[7]

The mutual-interdependence theory makes use of the demand-supply analysis in order to explain price determination under conditions of pure competition: a state of equilibrium is achieved, with the price of a good determined by the interaction of the two economic forces of demand and supply. The factors determining the demand conditions are:

(1) Consumer preferences,

(2) Consumer money incomes,

(3) Prices of other goods.

The factors determining the conditions of supply are:

(1) The supply of productive factors and their price,

(2) The physical conditions of production—that is, the technical process of combining various factors in production.

The cost of producing a commodity depends upon the factor prices and the physical quantities combined in their production. Prices of the factors determine the extent to which each factor is combined to produce a given commodity. The demand for factors of production is a derived demand depending upon the demand for

6. *Ibid*, p. 14.

7. Haberler, G. Von, *The Theory of International Trade*, The Macmillan Co., New York, 1937, p. 177.

their finished products. And the demand for finished products is determined in part by the factor prices as incomes are derived from ownership of factors. The size and distribution of income is an important factor that determine the demand for goods. "The demand for and the supply of each productive agent, the prices of commodities, the prices of the factors of production, consumers' incomes, the quantities of factors combined in the different productive processes—all form an intricate and mutually interdependent system."[8] Though the pricing problem is a complex one, yet, it is possible to solve it with the help of simultaneous equations. The unique feature of the theory is that it tries to explain the effects of a change in any segment of the system upon the entire system.

The conditions necessary for international trade to exist according to Ohlin are as follow:

(1) The costs of identical goods should differ between nations, and

(2) The ratios of the costs of production of the various commodities must differ between countries.

The second condition is important so far as there has to be a two-way trade. Assuming an inconvertible paper currency system, importers will bid up the price of foreign exchange on the low-cost country which will be exporting. The price of foreign exchange will rise very high in the high-cost country and this will lead to a correction of the disequilibrium in the balance of payments. In turn the price of the currency in the low-cost country will rise in terms of the currency of the high-cost country, or the general level of prices in the low-cost country does not change. When the rate of exchange rises to a level at which the value of imports equals the value of exports, the equilibrium tends to be re-established. If the ratios of the costs of production are the same in both the countries, the equilibrium rate of exchange will produce an identity of prices of all goods in the two countries.

Domestic prices of factors and commodities in different countries and the rate of exchange have to be considered in order to know which of the factors are cheaper than in other countries, and further to determine what goods a nation should export. The

8. Towle, L.W., *International Trade and Commercial Policy,* Harper and Brothers, New York and London, 1949, p. 136.

volume of trade depends upon the absolute quantity of the factors and not merely upon their unequal distribution. The intensity of demand and the conditions of supply affect the volume of trade. "In brief, the volume of trade depends upon (1) the inequality of factor equipment, (2) the size of the respective national incomes, i.e., the volume of demand in different regions, and (3) the direction of demand."[9] The movement of factors of production is important in affecting all these three conditions.

Under the gold standard conditions, the factor prices are directly related in the concerned countries to the movement of gold which corrects any tendency towards disequilibrium in the balance of payments position. But the exchange rates remain stable within the narrow limits of the gold points. Under inconvertible paper currencies, the domestic factor prices remain unaltered whereas the exchange rates fluctuate freely. Though the rate of exchange is an important factor in correcting any disequilibrium in trade accounts, the exchange rate is not an independent factor. The exchange rate, in short, is not an ultimate determinant of international prices and flow of trade. It is at best a medium of adjustment which is established by a more fundamental force of "reciprocal demand" and is governed by the conditions of factor supply and domestic demand.

Effects of Freer Trade on Volume of Trade

Generally trade restrictions of all kinds lead to a shrinkage in the volume of international trade. The factors influencing the volume of trade are tariffs, transport costs, national frontiers, differences in language, banking systems, laws, habits and traditions of various nations. Cumbersome customs, procedures and national feelings leading to a preference of national goods against goods of foreign origin also influence the course of trade.

Such of the goods for which there are many impediments stay as "home-market-goods". The height of the tariff wall and the cost of transportation may prevent a good from being traded internationally. Those commodities which have a comparative cost advantage in spite of the presence of tariffs will enter international trade and are designated "international goods", which may be either goods imported or exported.

9. Ohlin, *op. cit.*

The extent to which a good remains "competing home-market-good", "non-competing home-market-good", "export" or "import" good depends upon the level of trade restrictions and the elasticity of supply and demand for them in the home market and the foreign market. The classification between the home-market-goods and international goods cannot be too rigid because of the fact that with changing levels of tariffs and other restrictions it is possible that the former one may become an international good or vice versa.

Trade Volume and Specialization

The greater the volume of trade, the greater will be the scope for intensifying international division of production or territorial specialization. Each country will be less diversified; the commodity and factor price differences will tend towards equality between countries. In the event of complete absence of trade "in each country the demand for the relatively scarce factors is increased and the demand for relatively abundant factors reduced".[10]

Exports decrease the amount of certain factors of production available for production for the domestic market. And imports being the payment for exports, make available for domestic markets those factors of production which formerly were used to produce the goods now imported. If two countries, presuming of equal size, have the same relative scarcity of factors of production and the same techniques, then both the countries will have the same comparative costs for all goods. Their relative factor prices will be the same and then there will be no advantage for the two countries in trade.

Determinants of the Volume of Trade

The volume of trade depends upon the following factors:

1. The existence of price difference for a given commodity between nations;
2. The relative abundance or scarcity of factor equipment among nations;
3. Differing intensity and elasticities of demand for and supply of factors of production or products in different countries; and

10. Ohlin, *op. cit.*, p. 298.

4. The higher the national income of the trading nations, the larger the volume of trade tends to be.

1. *The Existence of a Price Differential for a Given Commodity is Necessary for Trade to Take Place.* The necessary conditions for international trade are, (a) the costs of identical goods should differ between nations, and (b) the ratios of the costs of production of the various commodities must differ between countries.

The integral point underlying both the classical theory and the modern theory is that international trade in goods must depend upon differences in their comparative values. If the cost structures and prices of identical goods are the same in any two countries there will be no trade in such goods. The extent to which the place of a given good rises in the importing and exporting countries depends, of course, upon the intensity and elasticties of demand and supply in the concerned countries. Then we can say that a movement towards freer trade leads to an increase in the volume of trade, via the changes in price. A higher price tends to increase production in the importing country by curtailing imports. Sooner or later an increase in the domestic costs of producing a good that needs scarce factors for its production does not encourage production, unless under conditions of highly elastic supply. But at the same time a fall in price in the exporting country brings about a reduction in production. Considering the effects of a price-rise the volume of total production as well as total trade falls.

2. *The Relative Abundance or Scarcity of Factor Equipment among Nations Influence the Volume of Trade.* The agents of production are unequally distributed between nations as between different regions within any given nations. International trade leads to a rise in price of factors which are abundant and lowers the price of factors which are scarce. If all the countries are equally endowed with factor equipment then the ratio of cost of production of identical goods will remain the same and trade would be unnecessary.

International trade is, therefore, based upon differences in the relative abundance and relative cheapness of the various productive factors in the different countries which alone is the cause of dissimilar cost ratios. Even if any two countries have equal endowments of productive factors speaking in an absolute sense, yet, considering the relation to their relative demands, there should be

greater scarcity in one country than in another. "The volume of trade is dependent upon the absolute quantity of productive agents in the various regions as measured by the figure of total income, not alone upon the inequality of their endowment; or better, the strength of the demand which is governed by the quantity, prices, and conditions of ownership of productive factors in the various regions, as well as the taste of its inhabitants, affects the volume of trade no less than do the conditions of supply".[11]

3. *The Volume of Trade Depends upon the Differing Intensities and Elasticities of Demand for and Supply of Factors of Production or their Products in Different Countries.* Let us suppose there are two countries A and B trading with each other. Trade takes place because of the existence of comparative advantage in both A and B for the production of certain goods. Suppose, to start with, when trade is opened both the countries have erected high tariff walls. The terms of trade or the rates of exchange of goods between two countries will depend upon the elasticity of foreign demand for a country's goods and the extent of retaliation between them.[12] "The two opportunity cost ratios are the two units to the range of terms of trade profitable to both countries".[13]

If the demand for the goods of a country is highly inelastic a tariff reduction will not improve the volume of exports to any considerable extent. If the foreign demand is elastic, a movement towards freer trade will lead to an increase in the volume of trade. "In reality producers exploit their monopoly position by adding to their costs a monopolistic profit margin, which is an obvious and exact parallel to an export duty".[14]

In order to explain the importance of the concept of elasticity of demand and supply the Marshallian offer curves are very useful.[15] The ordinary demand and supply curves show the rela-

11. Ohlin, *op. cit.*, p. 171.

12. Kaldor, Nicholas, "A Note on Tariffs and the Terms of Trade", Economica, Vol. VII, 1940, p. 377.

13. Benham, Frederic, "The Terms of Trade," Economica, Volume VII, 1940, p. 360.

14. Scitovszky, T. De., "A Reconsideration of the Theory of Tariffs", The Reviews of Economic Studies, Volume IX, (Summer, 1942), pp. 89-110.

15. Marshall, Alfred, *Money, Credit and Commerce,* Macmillan and Co., London, 1923, Appendix Jl, pp. 330-360, also see, "Pure Theory—Foreign Trade and Domestic Values", Marshall, Alfred, 1930, pp. 29-31.

tions between the money price, the quality demanded and the quantity supplied. But in the Marshallian curves, their ordinates measure not the price per unit of the good in question but the total receipts from the sale of the quantity. Their successive ordinates correspond to the areas of rectangles inscribed in the ordinary demand curves. The Marshallian curves give a complete picture of the international trade mechanism and may be illustrated as follows :

Let A-units be represented on the X axis supplied by A and along Y axis the corresponding demand of B for A-units thus obtaining the curve OA,—the supply demand curve of America. The curve OB,—is the demand curve of Brazil.

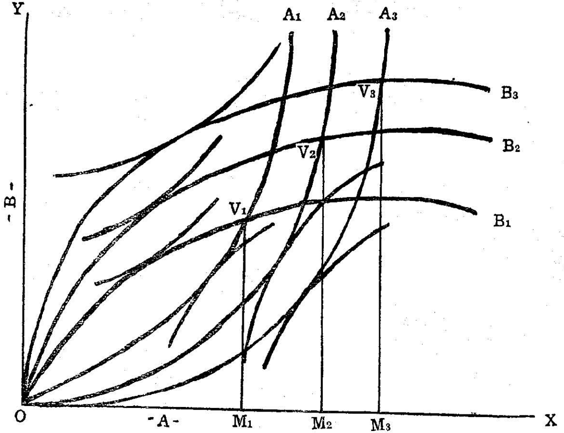

Fig. 1. A movement towards freer trade leads to an increase in the volume of trade.

A-Unit offered by A and demanded by B are represented on X axis. B-units offered by B and demanded by A are represented on Y axis.

Assumptions:

(1) That the elasticity of both demand and supply are equal in the two countries,

(2) That high tariff duties exist in both A and B,

(3) That both act simultaneously in reducing the tariff duties.

The indifference curves tangential to A_1, A_2, and A_3 represent the changes in welfare for B; and the indifference curves tangential to B_1, B_2, and B_3 show the changes in the welfare of A caused by changes in the volume of trade.

Then, given high tariff walls in both A and B the amount of A-units exchanged for B-units will be V_1M_1 of A as against OM of B. Now let us suppose that both the countries agree to lower their tariff walls. If both demand and supply are elastic to the same extent in both A and B, any reduction in tariff duties will move from A_1 to A_2 and B_1 to B_2 indicating that at a lower price more will be demanded and supplied in both the countries. Then the indifference curves of both the countries will be put on a higher level. It might be possible that both the countries will resolve to abandon all trade restrictions. In that case, given an elastic demand and supply more A-units will be exchanged for more of B-units. "The optimum tariff will be that to which the community indifference curve tangential to the foreigners' demand curve belongs. If the foreigners' reciprocal demand is infinitely elastic, free trade will be the optimum policy on this criterion".[16]

Given free trade the exchange of the two countries will be at V_3, the point of intersection of OA_3 and OB_3. That is the point at which both the offer curves are tangential to the two community indifference curves of the two countries. From the point of view of general equilibrium analysis it would be necessary for us to suppose that one of the curves stands for the offer curve of several single countries in succession, and the other represents the reciprocal demand for that country's exports of all countries taken together. Each country will by disregarding its own influence in forming the aggregate demand of all nations, as under perfect competition, raise its tariff as a result "the universe's reciprocal demand curve facing each of them will get distorted just as much as if tariffs had been raised against it by the rest of the world acting in unison. Each producer's quest for higher profits tends to eliminate the profits of all; here the attempt of each

16. Scitovszky, Tibor De., *loc. cit.*, p. 369.

country to increase its own advantage from trade diminishes the advantages of all".[17]

Generally the elasticity of supply of a given country is greater than for the world as a whole. That is because exports are more specialized than imports and any change in price of both export and import goods will have a greater effect on the production of export goods than on import goods. And "the world demand for the exports of one country is less elastic than the world supply of those goods which it imports".[18] If the demand for each country's exports is sufficiently elastic with a movement towards freer trade the volume of trade will increase due to increased demand and supply. On the other hand increasing of trade restrictions will lead to a decline in the volume of trade. "Tariffs and other impediments to trade reduce the elasticities of international demand, by reducing the number of potential export and import goods".[19]

4. *The Higher the National Income of the Trading Nations, the Larger the Volume of Trade Tends to be.* It well follows from the previous section that the volume of trade depends upon the absolute quantity of productive agents. The purpose of exchange is to increase the real income for the factors of production. The trading capacity of any country ultimately depends upon its real income in terms of natural resources. "The case for a large volume of international trade rests on the different endowments of nations in respect of natural resources, human quality and skill, and acquired equipment".[20]

The volume of demand depends upon the size of the national income. A poor country cannot afford to import much because it will not be in a position to export as a payment for imports. Mrs. Robinson makes out a strong case against any actions on the part of trading nations to reduce the national income of other

17. Scitovszky, T. De., *loc. cit.*, p. 376.

18. Robinson, Joan, "Beggar My Neighbour Remedies", *Essays on the Theory of Employment*, second edition, (Basil Blackwell, Oxford, 1947), Part III, Chapter 2.

19. Haberler, G. Von, "Future Trade and Policy", *Economic Reconstruction*, Chapter XVIII, Edited by Seymour E. Harris, 1945, McGraw-Hill Book Co.

20. Robertson, D. H., "The Future of International Trade", "Economic Journal", Volume XLVIII, (March, 1938), pp. 1-14.

nations.[21] "Beggar-my neighbour" policies designed to increase domestic employment at the expense of other countries will ultimately lead to a reduction in the total real income of the world.

If the total real income of a country increases, then it stands to reason that the volume of its imports, and as a consequence, its exports will in turn increase. "That the volume of international trade should rise and fall together with the rise and fall in national income and output of the trading countries is self-evident and has never been denied."[22] Income of each country consists of domestic consumption, domestic investment and exports. Consumption in each country depends upon the income at a given point of time and the marginal propensity to consume of that country. Investment depends, among other things, on the domestic income at a given point of time and the marginal propensity to invest. Exports depend on the marginal propensity to import and the income at a given point of time, of the other country.

If exports and imports fall as a result of a tariff duty, there will be an immediate fall in total demand, and therefore, a tendency to reduced employment which could only be offset by a shift of sufficient magnitude towards the consumption of home produced goods. The relation of increased volume of trade to income will be considered elsewhere in this chapter. We may conclude here that the greater the real income of a country the greater will be the volume of trade.

Effects of Tariffs on the Volume of Trade Under Increasing Costs

The Lowering of Tariffs will Lead to Lower Prices of Imported Goods. The immediate effect of lowering of tariffs leads to a fall in the price of imported goods. The domestic price might fall by the full extent of the tariff reduction.

The Price and Production of a Commodity when there is No Trade between Two Countries. Before any trade takes place between the two countries I and E, the price of producing a commodity Q would be A_1 in Country I, and A_2 in Country E. Making use of the demand and supply analysis a partial

21. Robinson, Joan, *loc. cit.*, pp. 393-407.
22. Haberler, G. Von, *loc. cit.*, p. 533.

equilibrium position is arrived at when the two countries start trading.

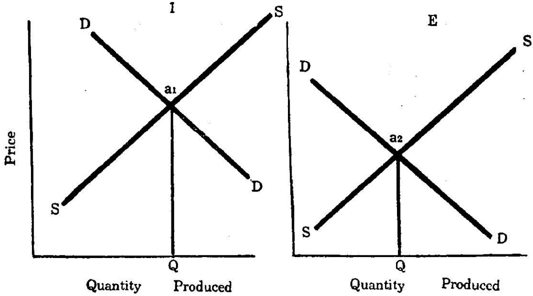

Fig. 2. The price and production of a commodity before trade takes place in countries "I" and "E"

The factors of production going into the production of commodity Q are more abundant in Country E than in Country I. And consequently given an equilibrium position of demand and supply in each of the countries a higher price prevails in Country I and a lower price in Country E where the factors of production are abundant. In the absence of trade the scarce factors are in greater demand in Country I and the abundant factors in greater supply in Country E than in I.

Let us suppose trade takes place between the two countries. The commodity Q will be imported from E to I, and thus the price of Q will fall in I and rise in E. The quantity produced in E will rise due to a price rise (presuming there exists an elastic supply) and the amount produced in I will fall. And further, the amount consumed in E will fall and the amount consumed in I will increase. Now if we assume there exists no transfer costs, then considering the two markets as one, there exists one uniform price, which can be called the new equilibrium price.[23]

23. This figure is used by both Richard Schuller and Enrico Barone, adapted by Haberler in his book, *The Theory of International Trade.* Macmillan Co., New York, 1937, pp. 170-171.

We shall reverse the position of the diagram representing the the demand and supply in the importing Country I so that it is placed to back-to-back against the right-hand diagram. It can be shown that the supply in I will fall from OS'i as the price falls from Pi to P, and the supply will increase from OS_e to OS'_e.

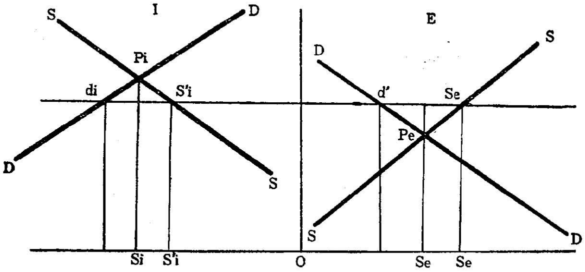

Fig. 3. Price and production of a commodity in the two countries "I" and "E" under conditions of free trade

The Production and Price of a Commodity when a Tariff is Imposed. The two markets become one with the prevalence of a uniform price. Suppose that the two markets are separated by a duty, then the price rises in the importing Country I by the difference between the amount of the duty and PP', and falls in the exporting Country from P to P'. The removal of the duty would result in a gain to the consumers. If a country is exporting a given commodity on which an import duty is levied then the duty will have no effect on the price or production of the imported goods. Again, it may be possible at times that the exporter bears the tax burden in which case the consumer in the importing country will not be affected.

When the importing country levies a duty the following effects may result:

(1) The price of the commodity imported will rise in the importing country. But the extent to which the price rises depends upon the conditions of elasticity of domestic supply, elasticity of domestic demand and the extent to which the imported commodity can be substituted by other goods; and also the extent to which the price falls in the exporting country, depending on the elasticity of foreign supply and demand.

The levy of an import duty may have its effects upon price in the importing country in many ways. In some cases it might raise the domestic price by the exact amount of the duty. It might raise the price less or more than the full amount of the duty. "A tariff duty does not raise prices if it is, or becomes, wholly inoperative, so that nothing comes in under it and nothing is kept out that would come in if it were not there".[24] It is not uncommon to find that inoperative duties do exist. "But a tariff which has any protective effect at all has that effect only because and so long as it makes prices higher than they would be without it".[25] A protective tariff will have no desirable consequence unless it results in a lowering in the costs of production after being protected because of the resulting economies of large-scale production. In short, a tariff which only raises prices does nothing.

A Tariff under Conditions of Increasing Costs Industry. The levy of a duty will lead to a rise in the price of the goods within the importing country and a fall in its price within the exporting country; increases production and decreases demand in the importing country; reduces production and increases demand in the exporting country.[26]

Let us suppose there are two countries, the importing Country I and the exporting Country E. The importing Country I levies a tariff equal to O'o. The demand for E's imports into I will fall owing to a price rise caused by the duty in I.

In other words, "The producers in the exporting Country E regard the imposition of an import duty by the importing Country I, or of an export duty by E, as equivalent to a reduction, by the amount of the duty, in the price which they can obtain by selling in I."[27] The full implications of the above diagram can be understood easily by lowering the whole curve system of I by the amount of the duty. When the new curves in I would be S'S' and D'D' instead of SS and DD.

24. Beveridge and others: Tariffs; the Case Examined, London, 1932, p. 35.

25. *Ibid.*, p. 36.

26. Fig. 4 is adopted from Haberler's, *Theory of International Trade*, Macmillan Co., New York, 1937, p. 172.

27. Haberler, *op. cit.*, pp. 171-172.

The new equilibrium price will be P'P'. The price line p'p' is lower than the previous one pp in Country E. At this lower price consumption in E will expand from OD_e to od_e'. But the

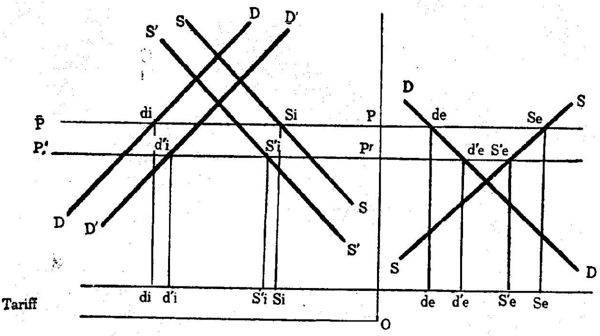

Fig. 4. The effect of a duty on the price and production of a commodity in countries "I" and "E"

supply in E will fall from OS_e to OS'_e. Therefore, we can say with a fall in the price of a given commodity there will be a fall in its production and a rise in domestic consumption and thus leads to a decline in the exports from dese to $d'eS'_e$.

Now, considering the position of the importing Country I, the prices must be measured from the base O' instead of O. Accordingly, the price in I rises by the amount of the duty minus the reduction in costs in E, pp'. Therefore, we can say that a rise in the price of a commodity in the importing country due to the levy of a duty leads to a reduction in consumption from di to d'_i and increases production from OS_i to OS'_i. On account of diminished consumption and increased production, imports must automatically decline to $d'_iS'_i$ instead of d_is_i, equalling the fallen amount of exports from E, $d'_es'_e$.

The extent to which the price will rise in the importing country depends upon the intensity and elasticity of supply and demand in the importing and exporting countries. "The greater and the more elastic the demand in the importing country, that is, the greater the extent to which purchases will decline with an increase in price, the smaller will be the price rise in the country

of import and the greater the price fall in the country of export."[28] The elasticity or inelasticity of supply and demand for goods in international trade may be analysed as follows:

Assumptions :

a. Increasing cost conditions exist
b. Perfect competition between the trading countries
c. Only two countries and two commodities are considered here and thus it is a partial equilibrium analysis.

The Effects of a Duty when Supply is Elastic (importing country). If the supply of a commodity, subjected to a duty, is highly elastic, the increase in price will be relatively small in the importing country, but the fall of price in the exporting country will be relatively large. The cost of production does not rise as steeply in this situation as it would under that of an inelastic supply condition. "Duties on agricultural and mineral products, an increased producaion of which is usually accompanied by rapidly increasing costs, will lead to a greater price-rise than a duty on manufactured goods, the production of which can often rapidly be increased in response to a rise in their price."[29]

In the Exporting Country. "The greater and more elastic her supply, the smaller will be decline in price in the exporting country, and conversely, the greater will be the rise in the price in the importing country."[30] A fall in price will lead to a necessary curtailment in production in the exporting country. A sharp cut in production will help check the falling price for the commodity subjected to a duty by the importing country. In other words, production will be curtailed in the exporting country which has a comparative advantage. The abundant factors of production become more abundant in the exporting country. And the demand for scarce factors will increase in the importing country resulting in an increased scarcity of scarce factors of production.

The Effect of a Duty when Supply is Inelastic in the Importing Country. If the domestic supply is inelastic, the levy of a duty will lead to a rise in price almost equal to the amount of the duty if the demand also is inelastic. An import duty on a commodity

28. Towle, *op. cit.*, p. 228.
29. Haberler, *op. cit.*, p. 228.
30. Towle, *op. cit.*, p. 229.

which cannot be produced at all in the importing country may lead to a price-rise greater than the amount of the duty. The price-rise, due to an import duty, will be greater the smaller is the amount imported in relation to the production of the exporting country and the greater is the import in relation to the production of the importing country.[31] If the quantity of the good imported into the country is an insignificant part of the total supply of the world market then the world price cannot be influenced by the levy of a duty by the importing country.

In the Exporting Country. The price in the exporting country will fall more and rise less in the importing country if the supply of the given commodity is inelastic in the exporting country. The fall in price will ultimately, though not in the short-run, lead to a shrinkage in its production.

The Effect of a Duty when Demand is Elastic in the Importing Country. The more elastic the demand in the importing country the smaller will the price rise in the importing country and the greater the price fall in the exporting country. Even a small fall in price will bring about a considerable reduction in the amount consumed in the importing country. A fall in demand will lead to a reduction in the imports. As the price does not rise enough to stimulate domestic production it will probably leave the production pattern unchanged, except that, there might be a substitution of other close substitute for that commodity for which the demand has fallen. Any attempt to increase domestic production by employing any factors of production which have a lesser comparative advantage will lead to increasing cost. Therefore, the tendency towards rapidly increasing costs will not stimulate domestic production of the good the imports of which are reduced.

In the Exporting Country. "The price, other things being equal, will rise more in the importing country and, therefore, fall less in the foreign country the larger and more elastic is the demand of the foreign country, and conversely."[32] When the imports are curtailed by the levy of a duty in the importing country, a slight fall in price will, other things being equal, increase the domestic demand in the exporting country. The exportable surplus will be absorbed by domestic consumption.

31. Schuller's argument—quoted from Haberler, *op. cit.*, p. 228.
32. Haberler, *op. cit.*, p. 230.

The Effect of a Duty when Demand is Inelastic in the Importing Country. In the face of an inelastic demand the levy of a duty will lead to a price-rise up to the extent of the amount of the duty in the importing country. If on the other hand supply is elastic and demand is inelastic domestic production will increase. Imports of that commodity subjected to duty will fall. The revenue from the duty will fall.

The effect of a rise in price has to take into consideration many factors. The time taken for production to be affected by price depends upon the technical details of the process. "Prices are not the only cause of changes in supply or in demand. Purely extraneous and non-economic causes, such as climatic vagaries, political changes, or mob-like "crazes", may at times have much greater influence upon supplies than do prices themselves, whereas intangibles that make up "style" and "business optimism" or new discoveries or fads, may influence consumption as much as or more than prices do."[33] While considering the elasticity of demand it would be necessary to carefully analyse both the economic as well as the non-economic factors. The length of the time lag between immediate response of supply and subsequent response of production to a change in price is an important factor.

An increase of domestic production of a given commodity due to a rise in price alone due to the levy of a tariff duty may be at the expense of some other commodities. It might be possible that unemployed resources would be brought into production. But such an expansion would be a rare case as generally the demand for scarce factors will increase in the expanding industry due to a price stimulus.[34]

In the Exporting Country. Generally speaking, a good that has a comparative advantage over other goods and whose money costs of production are lower in a given country tends to become an export good. In other words, the factors of production that go to make it are in abundance in the exporting country. The price of such a good is lower in a region or country where there exists the greatest comparative advantage. The object of levying

33. Ezekiel, M. "Statistics and the Laws of Price", *Quarterly Journal of Economics,* Volume VLII, February, 1928, p. 205.

34. Black, John D., "Analysis of Tariff Duties", *Journal of Farm Ecomics,* Volume XII, January, 1930, p. 83.

a duty is to raise the price of a good on which it is levied. Ordinarily, while considering homogenous goods, an import duty becomes inoperative on an export good because none of its own kind will be imported.

On the other hand, an export duty on such a good will tend to raise its price in the foreign market. If the demand for a good that is subjected to an export duty is inelastic in the exporting country and elastic in the importing country, the production of such a good tends to decrease eventually. If the demand for a good that is subjected to an export duty is inelastic in the importing country and elastic in the exporting country a duty on such a good will be advantageous, because the total revenue will be increased.

The payment of a subsidy or a bounty on an export good, may by lowering the export price, lead to increased sales in the importing country if the foreign demand is elastic.

An Increase in the Volume of Trade Leads to an Increase in the Total Income

International as well as interregional trade ultimately leads to more efficient use of factors of production and consequently to a larger output of goods. The scale of operation of the firms can reach their optimum level while producing for a wider market than for a narrow local market.

The object here is to show that whether there is an increase of exports over imports in one country or whether both exports and imports increase simultaneously there will be an increase in total income. The multiplier approach of foreign trade treats exports as income creating and imports as leakages. And that "only a lasting increase of primary disbursements (let us say, additional investments or additional exports, repeated in certain amounts period after period) can cause the income flow to raise to a higher level and to maintain it thereafter."[35]

Assumptions :

(a) Assume there are two countries in a depression and that that all resources are underemployed.

35. Machlup, Fritz, *International Trade and Income Multiplier*, Blakiston Co., Philadelphia, 1943, p. 7.

(b) Both countries agree to keep stable prices in order to maintain a given exchange rate.

(c) They are willing to expand the volume of trade without creating a balance in either country's favour.

(d) No provision is made for borrowing and lending if the multiplicand is zero.

The first effect of a balanced increase in the total volume of foreign trade will lead to an increase in the total average propensity to spend. The changes in the levels of income are generally accompanied by changes in the income distribution which influences greatly the propensity to consume of the entire society.

The income of each country consists of domestic consumption, domestic investment and exports. Consumption in a country depends upon the income of the previous period and the marginal propensity to consume of its people. Investment also is related to the domestic income of the previous period and the marginal propensity to consume of its people. Investment also is related to the domestic income of the previous period and the marginal propensity to save. Exports are similarly related to the marginal propensity to import and the income of the previous period. "Since total consumption for a given country consists of its consumption of domestic goods plus its imports, it follows that income may be measured by the sum of consumption, domestic investment and exports."[36] In essence then the net value of all goods and services produced constitute the national income. Let us suppose that the total value of goods and services for domestic consumption remains unaltered; then a rise in exports will give place to an equal rise in the national income. And when the net total value increases due to a rise in exports it will further lead to an increased propensity to consume in the domestic market. Then the marginal propensity to consume will consist of expenditure either on only home-produced goods or on imported goods, or on both depending upon the habits of the consuming populations. Such an increased spending will put more money in the hands of the producers and they in turn will increase their expenditure.

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36. Metzler, Lloyd A., "The Transfer Problem Reconsidered", *Journal of Political Economy,* Volume L, June, 1942, pp. 397-414.

If nothing is saved and invested out of the increased income, then exports must equal imports, since we have assumed that no provision is made for borrowing and lending. To make such a situation more meaningful we should also assume that the additional income is spent on both imported and domestically produced goods.

Under these conditions an increase in exports will lead to an increase in income as well as in the volume imported. Then we can say: the larger the fraction of the additional income spent upon imports, the smaller will be the rise in income and vice versa. If the marginal propensity to import is small, larger will be the multiplier. "The level of income can be altered by changes either in exports or in the average propensity to import."[37] A simultaneous rise or fall of imports and exports will lead to an increase or decrease in the average propensity to consume and invest. Therefore, any measure to expand or to contract the volume of international trade will lead to an increase or decrease in income. "A lowered tariff, for example, will lead to increased income and employment everywhere, provided the added opportunities for consumption are realized."[38]

A balanced increase in exports and imports will lead to an increase in employment and income due to the removal of a tariff barrier via the change in the average marginal propensity to consume. (Average propensity includes the marginal consumption of domestic goods as well as the marginal propensity to import). The total average propensity to consume depends upon income and employment which in turn depends upon a simultaneous increase of both imports and exports. "It follows that mutatis mutandis a simultaneous increase in imports and exports will, via an increase in the total average propensity to consume, raise income and employment everywhere."[39]

A Tariff will Affect Income in Different Ways. A tariff, if it leads to higher import prices, will lead to a reduction of real in-

37. Savant, William A., "Foreign Trade Policy in the Business Cycle", *Public Policy,* Volume II, Cambridge, Massachusetts, 1914, pp. 209-231.
38. Stolper, W. F., "The Volume of Foreign Trade and the Level of Income", *Quarterly Journal of Economics,* Volume LXI, February, 1947, p. 285.
39. *Ibid.*

come and to a substitution of domestic goods for imported goods. This in turn might increase the demand for scarce factors and reduce the demand for more abundant factors. Ultimately real savings will fall following a fall in real incomes. Increased unemployment of resources also can reduce real income. On the other hand if there is complete substitution of domestic goods for imports then the real income will not fall because of an increase in employment of domestic resources. In other words, if the total average propensity to consume falls, there will be a fall in the real income. "Particularly, retaliatory tariffs and exchange controls might lead to a fall in the total income, due to a simultaneous fall in imports and exports. The most probable result of a tariff will be to reduce the total average propensity to consume as there might be some substitution of savings for imports."[40]

Now, let us go back to our first assumption that we are considering two Countries A and B. Suppose A decreases its imports from B, B's income will be reduced, and therefore, eventually B's imports will decline. Since B's imports decline it stands to reason to realize that A's exports will automatically fall followed by a fall in B's national income. At this stage it is necessary to introduce another qualification. That is, "the larger a country's exports relative to its total national income, and the greater the fluctuations in exports, the larger will be their influence in initiating fluctuations in income. The greater the marginal propensity to import, the smaller will be the effect on home incomes of a given change in exports or home investment."[41]

In addition to the two main economic factors, namely: (1) the standard of living or the amount of national income and (2) the need for imports or the pattern of geographical distribution and direction of demand, there is a third factor namely the extent of government interference that determines the amount of international commerce.

Let us modify our first assumption and consider that there are more than two countries trading. Any consideration of a large number of countries involves an application of the general equilibrium conditions to international trade. When imports into a given country decline, it follows that the exports of other nations

40. *Ibid.*
41. Savant, William A. *loc. cit.*, p. 207.

should automatically fall, since imports of one country constitute the exports of other countries. If all the imports come into a given country from only one exporting country, any change in the volume of the imports will affect the income level of the exporting country. On the other hand, if there are more than one exporting country, their exports will fall depending upon the degree of elasticity and intensity of demand in the importing country. The national income of one country might be more severely affected than others, but the extent to which the income of each exporting country falls will be a matter of difference in degree. "A decline in the imports of one country is a decline in the exports of other countries, and the balance of trade for the world as a whole is always equal to zero."[42]

In the light of general equilibrium analysis the effect of a change in the volume of imports upon the volume of exports can be generalized as follows: (1) a change in a country's imports will have a greater effect on its exports if the marginal propensity to import of that country is great; (2) the greater the multiplier of the exporting country, the greater will it affect the volume of exports, employment and real income; (3) a large decline in a country's imports will be followed by a large decline in its exports, the greater is its share in world trade; (4) if an exporting country depends to a greater extent for its imports from the country which happens to be its main buying customer then a large fall in its imports will lead to a large fall in its exports; (5) a fall in a country's exports will result in a fall in its real income unless domestic employment of resources is maintained by other means to the previous level.

Considering more than two countries the imposition of trade restrictions would not only affect the absolute volume of income but it would also lead to a change in the distribution of national income through changes on employment. Some industries are retarded and others are stimulated.

Let us modify our assumption number four. It would be more realistic to presume that some kind of provision is made for borrowing and lending. That is to say a trade balance is met by way of movement of either short-term capital or long-term capital from

42. Robinson, Joan, *loc. Cit.*, p. 393.

the lending country to the borrowing country. There are three ways in which generally the transfer of capital takes places:

(1) to ship goods and services from the lending to the borrowing country,

(2) to set free factors of production in the importing country in order to enable it to produce such goods as are greatly needed and otherwise unobtainable, and

(3) to transfer productive factors like capital goods and technical help for a given period of time.

Short-term Capital Movements Help Maintain Equilibrium. Generally short-term capital movements help in the maintenance of equilibrium in the balance of payments. It is not uncommon for manufacturers to sell their goods to foreigners on a six-months' credit. The main purpose of short-term lending is to make a profit resulting from fluctuations in foreign exchange rates. The amount of capital movements seems to depend upon cyclical changes. It is commonly observed that a larger volume of capital moves from one country to another during boom periods than during periods of stagnation.

Short-term international capital movements are "automatically" elicited due to the stringest conditions on the money market in the borrowing country. Capital, like all other factors of production tends to move from areas of lower productivity to those of higher productivity. And therefore a change in the relation between interest rates quoted in two money markets will ordinarily bring about a transfer of funds from one to the other depending upon the price capital can command in a given country at a given time. Short-term lending, particularly when the future fluctuations in the exchange rates can be foreseen, will add greater stability to the exchange rates. "Industrial countries tend to owe money to agricultural countries in the second half of the year, and repay it in the first half .... The seasonal transference of short-term credits from one country to another was carried out for moderate commission."[43]

Lending and borrowing then almost becomes inevitable to ensure stability in the Foreign exchange market. "Hence it would seem that in the absence of lending or borrowing for any region

43. Keynes, J.M., *A Tract on Money Reform*, London, 1923, p. 108.

or country imports of goods and services should exactly balance exports."[44]

Transfer of Long-term Capital will Lead to an Increase in the Total Volume of Trade as Well as to Rise the Real Income of the World. In the absence of any trade barriers, capital, like all other factors of production will tend to move from countries of lower price to countries of higher price. At this stage in this discussion it would be necessary to assume the following conditions: (a) political conditions in both the lending and the borrowing countries are stable, (b) the monetary policies are congenial for movement of capital (price levels are stable). The main factors influencing the movement of long-term capital may be summarized as follows:

(a) The differences in interest rates,

(b) A desire for achieving a diversity of investments to reduce risks by investors,

(c) A desire to avoid the import duties by an exporting country leading to establishment of branch offices and factories abroad, and

(d) To avoid high domestic taxation investors might seek foreign investments.

The ultimate effect of all capital movements will be an increase in the world's real income. The productivity of capital will be higher in a country importing than in a country exporting. The importer benefits from a higher level of industrial development, whereas, the exporting country gets a higher profit.

Conclusions

The foregoing detailed analysis points out that where planning of trade, especially exports, is taken up, it is desirable and even essential to consider the theoretical implications, for a solution of the problem of foreign exchange is tantamount to constructing a theory of international trade. One significant fact indicated by theory is that the size and distribution of income is an important determinant of the demand for goods. Similarly, to determine what goods a nation should export, domestic prices of factors and commodities in different countries and the rate of exchange have to be considered, for the volume of trade depends upon

44. Ohlin, *op. cit.*, p. 375.

the absolute quantity of the factors and not merely upon their unequal distribution. Although the rate of exchange is an important factor in correcting any disequilibrium in trade accounts, the exchange rate is neither an independent nor an ultimate factor.

The volume of trade is influenced by a multiplicity of factors such as tariffs, transport cost, national frontiers, banking systems, laws, habits and traditions of various nations. Cumbersome procedures and national feelings hamper the course of trade. If the demand for a country's exports is sufficiently elastic, a movement towards freer trade is desirable. As the trading capacity of a country ultimately depends upon its real income in terms of its natural resources, it may be advisable to strengthen the real income base as part of export planning.

A protective system is directly related to the general level of prices and cost structures. Trade restrictions affect not only the commodity on which they are levied but the entire economy. A protective system that reduces the national income and welfare leads to distortion of price relationships, production and consumption of all goods produced. The imposition of trade restrictions would not only affect the absolute volume of income but would also lead to a change in the distribution of national income through changes in employment.

The theoretical analysis finally draws attention to the importance of capital movements. Short term capital movements help to maintain equilibrium in the balance of payments but since increase in the total volume of trade and real income is fundamental, any planning of trade should pay adequate attention to transfers of long term capital.

Real Earnings and Employment of Factory Labour in India

by

B. Krishnarao

An analysis of the statistical data available on the employment and earnings of factory labour may be helpful in assessing the direction of real earnings of factory workers and the interrelationship between the incomes of labour and the other economic variables. Because of the growth of industrialism in the last fifty years there has been an enormous increase in factory employment in India. A fifty of the urban population today comprises of factory workers. An analysis of the employment and earnings of factory workers may throw light on the economic conditions of factory workers and bring into relief the labour costs in factory production. The level of the earnings in real terms not only indicates the standard of living of the workers but also affects the industrial relations between employers and employees. From the point of view of promoting the welfare of the community, the State is interested in the earnings of workers and their employment. These variables together largely determine the share that accrues to industrial labour from the national income. The incomes of labour, the volume of employment and the price level are interdependent and a study of their relative variations may broadly indicate how factory workers are affected by changing economic conditions. A study of this kind must take into account the fact that the statistical material available does not answer fully to the requirements of abstract theory.

The average annual earnings of factory employees per person are shown in the following Table I. These earnings reveal little direct connection with the identity of the worker and his place in the productive process, but in general terms it is clear that the class of labour in question is factory labour and the nature of production is factory production. The average figures relate to employees drawing an amount of less than Rs. 200/- in factory industries. Little is known however concerning the regularity or irregularity of employment caused either because of the nature of factory work or because of the workers' propensities. The

TABLE I

Year	Annual average earnings of factory employees per person	Computed index number of earnings	Index number of wholesale prices Food articles		Food purchasing power E/F × 100
	Rs.	E	August 1939=100 F	Computed index 1939=100 F	
(i)	(ii)	(iii)	(iv)	(v)	(vi)
1939 ..	287·5	100·0	114·5	100	100
1940 ..	307·7	107·0	110·6	96·5	110·8
1941 ..	324·5	112·9	116·6	101·8	110·9
1942 ..	—	—	—	—	—
1943 ..	525·2	182·7	259·5	226·6	80·6
1944 ..	586·5	204·0	261·6	228·5	89·3
1945 ..	595·8	207·2	269·5	235·4	88·0
1946 ..	619·4	215·4	304·8	266·2	80·9
1947 ..	737·0	256·3	292·2	255·2	100·4
1948 ..	889·7	309·5	374·1	326·7	94·7
1949 ..	985·9	342·9	389·2	339·9	100·9
1950 ..	966·8	336·3	410·4	358·4	93·8
1951 ..	1035·6	360·2	409·8	357·4	100·6
1952 ..	1111·2	386·5	359·8	314·2	123·0
1953 ..	1108·5	385·6	380·3	332·1	116·1

Source : Statistical Abstract for India.
* Data till 1946 refer to Undivided India.

figures include all remunerations that are capable of being expressed in money and payable under the contract. The data are limited to only those industries in which factory units are important.

An idea of the food-purchasing power of the earnings can be had by comparing the actual earnings with an index number of food prices. The All India wholesale price index for food articles may be chosen for this purpose. The Labour Bureau of the Government of India derived an index of real earnings by deflating the annual earnings of factory workers by a computed All India Consumers' price index. The food purchasing power and the real earnings are shown in the tables on the opposite page and hereunder.

TABLE II

Year (i)	Index of earnings (ii)	All India consumer price index (1939=100) (iii)	Index of real earnings (1939=100) (iv)
1939 ..	100	100	100
1940 ..	105·3	97	108·6
1941 ..	111·0	107	103·7
1942 ..	129·1	145	89·0
1943 ..	179·6	268	67·0
1944 ..	202·1	269	75·1
1945 ..	201·5	269	74·9
1946 ..	208·6	285	73·2
1947 ..	253·2	323	78·4
1948 ..	304·0	360	84·4
1949 ..	310·3	371	91·7
1950 ..	334·2	371	90·1
1951 ..	356·8	387	92·2
1952 ..	385·7	379	101·8
1953 ..	384·6	385	99·9
1954 ..	381·2	371	102·7

Source: Indian Labour Gazette, October 1955.

In India the proportion of expenditure on food out of the total income is large for the mass of the people and therefore, in several years, the movements in food purchasing power show a positive correspondence to the movements in real earnings. In countries more highly developed than India, the expenditure on food is a less significant proportion of total income of even the working classes. The food purchasing power and real earnings shown in Tables I and II can only indicate broadly the direction the earnings of labour had taken in real terms over a period of years. In point of fact there are many limitations which any conclusions based on the tables have to take into account. Apart from the question of the comparability of the data preceding 1947 with years after 1947 in Table I, there are other difficulties, first as to the choice of the wholesale price index of food articles and second as to the significance of the All India consumers' price index to the actual workers. When the annual average earnings are deflated by the wholesale price index of food articles it can be said that workers are actually affected only by the retail prices of some of the food articles and not by all those articles that do not enter into their consumption and that in urban areas the retail prices are usually higher than the wholesale prices. As to the earnings data and the All India consumer price index, computed by the Labour Bureau after elaborate statistical manipulation, it can be said that the computed figures fail to some extent to reflect the regional peculiarities affecting the worker in his particular geographical area and social setting. The All India consumers' price index takes 1939 as its base year and the choice of this year as base is also unsatisfactory for many reasons. Between 1939 and 1954 a change in the consumption patterns of the public took place as a result of the exorbitant prices charged on goods in the war period. Moreover some of the goods available in base period became unavailable in war-time or were available only in deteriorated conditions. Despite these limitations the indices in Tables I and II indicate approximately the direction over time workers' earnings have been taking in terms of real goods.

The average annual earnings increased in money terms during the war period, 1939-46. Increased dearness allowance and bonus accounted for the rise in the money earnings of factory workers whose basic wage-rate however remained the same as before in many industries. The frequency of wage-disputes, the necessity to attract workers into factory employment, the rise in the cost of living to which the dearness allowance granted in some industries

was linked, were among the forces exerting an upward force on the level of the earnings. The coefficient of variation of money earnings was however only 29% during 1939-46, whereas in respect of the consumers' price index in the same period, the coefficient of variation was nearly 42%. Thus the money earnings of labour, though rising to higher levels than in the pre-war period, were yet rigid in comparison with the movement of the prices of the articles of daily consumption.

During 1939-46 the real earnings fell much below the pre-war level, indicating the deteriorated living conditions of factory workers. The decline in real earnings was most marked in 1943 when Burma, an important source of food supply to India, was occupied by the Japanese. The relative rigidity of the money earnings in comparison with price movements, which can be explained partly by the absence of a strong trade union movement in India, affected the working classes adversely. A black market flourished in India in a wide variety of goods in war-time and if this were to be taken into account there might actually be a watering down of workers' earnings. The variations in food purchasing power, which were considerable in the war period, were also disadvantageous to workers in several years.

In the post-war period the money earnings of the workers rose faster than the consumer price indices. The coefficients of variation of the index of money earnings (Table II, Col. I) and the consumers' price index are 12% and 5% respectively. In this period, unlike the preceding war period, workers were under no prohibition to use the weapon of strike to secure wage settlements. Minimum wages were fixed for sweated workers in a number of industries after 1948. The work of Industrial Tribunals also resulted in revising and increasing the wages of labour in several factories. The average earnings of labour, reflecting the pressure of all these factors, continued to increase.

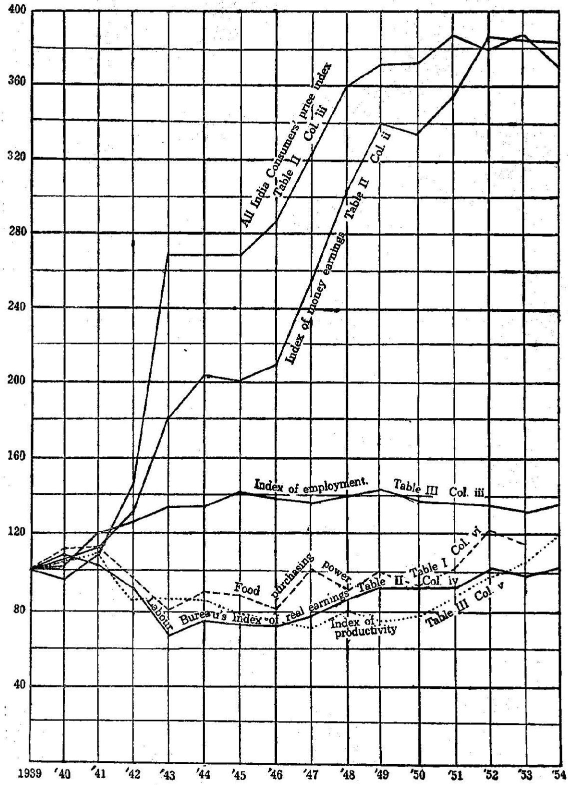
The real earnings of factory workers in the post-war period show relative improvement. In fact, during 1951-54 the real earnings were around the pre-war level. The rise in the real earnings was partly due to the effectiveness of the First Plan in raising production and stabilising prices and partly due to the rise in money earnings. The Plan contemplated the restoration of the pre-war wage level and actually this was the level at which earnings of labour fluctuated during 1951-54.

TABLE III

Year	Average daily employment in some important industries (in 000's)	Index of employment E	Index of industrial production P	Productivity P/E × 100	Real earnings	General index of wholesale prices: manufactured articles*	Average number of workers employed in all factories (in 000's)	Index number of employment†
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
1939 ..	1013	100	100	100	100	129·4	1751	100
1940 ..	1051	103·7	108·1	104·2	108·6	122·2	1844	105·3
1941 ..	1222	120·6	114·3	94·8	103·7	145·7	2156	123·1
1942 ..	1270	125·3	106·9	85·3	89·0	177·7	2284	130·3
1943 ..	1346	132·8	112·2	84·5	67·0	246·2	2436	139·1
1944 ..	1359	134·1	115·7	86·3	75·1	258·2	2522	144·0
1945 ..	1434	141·5	112·5	79·5	74·9	244·2	2643	150·9
1946 ..	1396	137·8	102·9	74·7	73·2	—	2314	132·1
1947 ..	1385	136·6	99·1	72·5	78·4	276·6	2275	129·9
1948 ..	1433	141·4	112·3	79·4	84·4	340·6	2360	134·8
1949 ..	1452	143·3	108·4	75·6	91·7	343·9	2434	139·0
1950 ..	1378	136·0	107·2	78·8	90·1	348·4	2504	143·0
1951 ..	1375	135·7	120·4	88·7	92·2	395·5	2537	144·9
1952 ..	1386	136·7	133·2	97·4	101·8	377·5	2433	139·5
1953 ..	1349	133·1	140·8	105·8	99·8	367·0	2508	143·2
1954 ..	1377	135·9	153·6	113·0	102·7	375·5	—	—

* August 1939=100
† 1939=100

The reduction in the real earnings of labour and the steeply increasing price level of the war period indicated that the real income distribution altered unfavourably to the working classes.



The higher money earnings and the increased activity in the factories in the war period led to a view that working class family earnings too increased so much as to cause absenteeism. The Labour Investigation Committee discounted the possibility of

increased family earnings and the Census of 1951 shows that actually the ratio of non-dependents to working population has risen generally in India. The transfer of purchasing power from wage-earners to the wealthier classes such as had taken place during the war was not however favourable to the propensity to save because of the pent-up demand for consumer goods. In the post-war period the expectation of rising payments to labour along with the possibility of a reduction in money supply affected the marginal efficiency of capital and was partly responsible for an investment crisis for several years after the war. The First Plan recognised the difficulties that might result from an upward movement of payments to workers in these circumstances and therefore cautiously deferred the question of a living wage for workers.

In Table III the index of productivity is compared with the real earnings of factory workers. The graph on page 65 shows that the trend in productivity is on a par with the trend in real earnings. During 1940-42 the curve of real earnings stood higher than that of productivity; between 1942-46 the opposite happened but again the former tendency prevailed during 1947-52.

The average number of workers employed daily in the factories and the index of the prices of manufacturing articles are shown in Table III. They show positive correlation with each other. The war not only raised the prices but also made large demands on the productive capacity of India. During 1939-40 India had to produce the war materials needed in Europe and the Far East. The import of manufactured goods had also to cease on account of the war. There was therefore 'hot house growth' of employment in India. The increase in money earnings of labour and employment were a remarkable phenomenon of the war period. The effect of large payments to labour is ordinarily to reduce employment. but such an effect was offset by the atmosphere created by the war. The Labour Investigation Committee Report points out that the higher money earnings of labour when employment was also increasing had the effect of reducing the migratory character of Indian labour and bringing about labour settlements near the factories. Women labour used to be a preponderant element in factory employment because such labour was available at relatively low wages in war time. The employers moreover showed preference to non-union labour and because

women workers did not join in labour unions in large numbers they were employed to a greater extent than men in factories. The employment of men has been increasing recently. The absence of unjustifiable discrimination on grounds of sex in the fixation of minimum wages since 1948 partly accounts for the new trend in the employment of men. When wages are out of step with productivity for a long period, employers shift to capital intensive methods or shift to areas where labour costs are likely to be lower. An idea of labour costs can be had by multiplying the volume of employment with the amount of employee's earnings. Since the war period the labour costs have been steadily on the increase. The labour costs do not explain either the cost per unit of output or the marginal costs of production. It is therefore difficult to explain the changes in production that may arise from the fluctuations in labour incomes. When the proportion occupied by labour is large, there are grounds for a belief that increased earnings by labour are restrictive in their effect on production, though if the increased earnings are matched by increased efficiency this is another matter. The influence of the jobber who nibbles at the workers' earnings is still felt in factory employment. Since the fixation of minimum wages in 1948 personnel employment and the conditions of work such as leave assumed some significance which is clear from the fact that workers' disputes for these reasons are occurring frequently in recent times. When employment is increasing it is possible for money wages to rise and for real wages to decline because of the increase in price levels. The volume of daily employment (Table III, Col. 1) in fact shows negative correlation to the extent of 51·5% with real earnings between 1939-54. The increasing factory employment leaves no doubt that industrialism has made definite progress in the country in the war and post-war periods.

The following conclusions may now be stated with refrence to the earnings and employment of factory labour. First, money earnings and employment of factory workers have been increasing since the war and the labour costs in factory production, in consequence, are also increasing. Second, the real earnings of labour were below the pre-war level for a long time. Only recently did they attain the pre-war level. They show a negative correlation with factory employment. It is clear, finally, from the increasing employment in factories that industrial labour has acquired a greater prominence in the war and post-war periods than ever before.

Elements of Advaita in other Schools of Thought

by

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It is universally accepted that the Philosophy of Advaita is adaptable to all religions. The reason is that the supreme God-head of any religion is only a form of Advaitin's Brahman the Absolute, endowed with some qualities. He may be called by any name, Śiva or Vishnu, Christ or Buddha according to the tastes of the followers. Rig Veda says that one Truth is worshipped in many forms[1] "The wise call the one Reality by many names. They call Him Indra, Mitra Varuṇa, Agni, the Divine Eagle, Yama and Vāyu".

Udayanacharya, the greatest Indian logician, says in his Kusumānjali[2] — "The followers of Upaniṣads say that He is of the nature of purity and Intelligence; the Sāṅkhyas that He is Kapila the first enlightened; the followers of Patañjali, that He is a person untarnished by evil qualities of Karma and its products, who enters a self-created body and teaches the people, tradition; the Pāśupatas the He is unsullied by acts contradictory to Vedas and independent; the Śaivas that He is Śiva; the Vaishnavas that He is the supreme Purusha; the authors of Puraṇas that He is the Grandfather; the Ritualists that He is the person to be worshipped in sacrifices; the Jains that He is free from veils of Karma and body; the Mīmāṁsakas that He is the Vedic Mantra; the Naiyāyikas that He is a soul endowed with qualities most feasible among those mentioned above; and the Charvakas that He is the body alone" etc.

Some authors go a step further and declare that the illusoriness of the Universe, the identity of the individual soul with the supreme soul, the natures of reality, intelligence and bliss for the individual soul, and his secondlessness—all these tenets exclu-

1. R. V. 1-164-46.
2. Nyā. Kus. 1-1.

sively advocated by the Advaitin are indirectly admitted by the authors of other Darśanas also though not expressly stated by them. Commenting upon the Brahma Sūtra "The yoga is to be rejected by the foregoing arguments,"[3] Vāchaspatimiśra says in Bhāmatī that the unreality of the Universe is not unacceptable to the Yoga school, wherein Bhagavān Vārṣaganya the author of some important work in the Yoga school says "The real characteristics of the gunas do not come within the sphere of our vision; that which comes within our vision is merely the illusory and the unreal".[4]

Sūtasamhitā, a part of Skanda Purāṇa, says that all the Vedas, Purāṇas, Smṛtis Bhārata, logic and other Śāstras, Āgamas of Saiva and Vaiṣṇava cult, all converge upon the self-luminous, non-dual ātman though they do not agree with each other in the empirical plane like waves in the sea.[5] The commentator Madhavacharya explains how this can be proved logically. He says: The Sāṅkhyas, Pātañjalas and Śaivites accept that Ātman is of the nature of reality and intelligence. This is common to Vedanta and hence there is no dispute herein. The unreality of the Universe and the non-duality of the individual soul accepted by the Vedantin can also be drawn from the Sankhya tenets. Though the Sankhyas and others speak of the reality of the universe and multiplicity of the individual soul in day to day experience, they accept that in the stage of Final Release which is obtained by the realization of the real nature of Ātman, duality does not appear. Now, if the universe does not appear in the state of release what evidence is there for its existence? It is the knowledge that proves the existence of objects and if in *Mukti* there is no knowledge of the universe, it may be safely concluded that it has been sublated by atman-realization. This sublation by knowledge is what the Advaitins call unreality in regard to everything other than Atman.

Moreover, the Yoga Sūtra "that (The Primal Nature and its evolutes) though annihilated and non-existent for the realised soul, is not annihilated for others since it is common to all"[6] also indicates the unreality of the universe. It is the illusory object, for example shell-silver, which can be said to be existent for one

3. Br. Sūtra. 2.1.3.
4. Bhāmatī 2-1-3.
5. Sūta Samhita.
6. Yoga Sūtra 2-22.

person (the person having a defective vision) and non-existent for another (person with a sound vision), and real things like pot, etc., are not so. Thus it may be seen that the author of the Yoga Sūtras has in his mind the unreality of the universe when he wrote this Sūtra. The multiplicity of the individual souls and their differences with the Supreme soul too fall in line with other objects of the universe, as they too are not apprehended by the Muktas. If they existed there is the contingence of their being apprehended.

But the Sāṅkhyas and Yogins do not expressly say that they accept Advaita, presumably because the common man whose mind is preoccupied with duality cannot grasp Advaitic principles so easily. The other tenets, that there is bliss in the state of final release and that it is Atman's own nature can be gathered from the conversation that ensued between the revered sage Jaigīṣavya and Āvaṭya, narrated in the Yoga Sūtra Bhāshya.[7] Asked by the sage Āvaṭya, whether in his experiences in heaven and the earth, alternately, which he remembered by his yogic powers, he found pleasure more or suffering more, revered Jaigīṣavya replied that in all his births in heaven or earth he experienced only pain. Āvaṭya again asked whether the divine pleasures derived from the subjugation of Pradhāna by which one can take any form to himself or give any form to others, could be included in pain. Jaigīṣavya again replied that though that pleasure was superior to worldly pleasures it was only pain when compared with pleasure enjoyed in Mukti. Thus it stands that in the state of Mukti there is bliss according to the Yoga School.

Similarly with Vaiśeṣikas and Naiyāyikas. In these schools also it is accepted that final release is from the realization of the real nature of Atman and that universe is not experienced by Muktas. Here also the unreality of the universe and the non-duality of Atman can be deduced from the fact that they are not experienced in Mukti and hence sublated by the knowledge of Atman. Though they say that the individual soul in release is only an inanimate object like a stone, devoid of intelligence and bliss, the author asserts that there is no alternative for Naiyāyikas other than accepting the nature of the Vedantic Atman in Mukti since otherwise there is the contingence of release falling

7. Yoga Sūtra Bhāshya 3.18.

out of the aspirations of wise men. The wise verily do not aspire to attain a state wherein there is no pleasure. Thus the statements of the absence of knowledge and bliss in that state in Nyāya works should be interpreted in the sense of the absence of empirical knowledge and not of the innate intelligence. Thus the two Sāṅkhya schools and the two Tārkika schools have been brought in line with Vedānta.

The views of the Mādhyamika school of the Buddhists also can be brought into agreement with Advaita. They accept that everything is momentary and unreal. For the Advaitin, the universe, though not momentary, is unreal. Atman's persistence cannot be disputed as the recognizant experience itself proves the same atman continuing throughout one's life. The state of Mukti according to Mādhyamikas is said to be void. This void is to be taken as absence of empirical knowledge and bliss and not of innate knowledge and bliss, since without them there is no scope of Mukti being aspired for by men.

The Yogāchāras' Mukti is the state in which the stream of pure and momentary conjunctions unsullied by worldly objects arises. Here purity of knowledge is acceptable to the Advaitin though not its momentariness. Momentariness for Atman is introduced only to avoid inconsistency in the rule that everything existent is momentary, enunciated by Buddha to attract people to perfect Vairagya (aversion) towards worldly objects. It may be asked how the author of a Śāstra may indulge in making such incorrect statement by accepting for Ātman momentariness which is opposed to everybody's experience. The author says that such things are not uncommon in the Śāstras. He quotes Sri Śabaraswamin's example who, in order to combat the Yogāchāras, declared that knowledge is always mediate and is to be inferred by the knowability of the objects. Nobody can deny the fact that knowledge is an object of experience. But Śabaraswamin expounded his theory only to reject the Yogāchāra view that there is no object external to knowledge and all external objects are only forms of experience. By saying that knowledge is mediate he wants to reject the theory of equating it with external objects which are perceptible.

Mīmāṁsakas also can accept the tenets of Advaita. This school of thought came into existence only to propound rules for interpreting the Vedas, and promote the performance of Vedic rites.

In course of time, when the Buddhists and others came to the scene and rejected the validity of the Vedas and denounced the performance of Vedic rites, the Mīmāṁsakas had to establish the validity of the Vedas, the eternality of the Atman the performer of Vedic rites and his agency here and enjoyership of the fruits of his rites in a later birth. For this purpose they established such an atman by mere reasoning. As regards the existence of the pure Atman of the Upanishads they did not have anything to say in favour of or against him. Moreover the apprehension of the pure Upaniṣadic Ātman will not only be useless but also be detrimental to the performance of Vedic rites. This is what Sri Bādarāyaṇa says in his Brahma Sūtra "There is also the annihilation (of agency)".[8] Sri Śankara has said "though the wise men will not take up the performance of Vedic rites without the knowledge of atman's association with a future birth, yet atman, who is free from afflictions and who is far from hunger, thirst etc., according to Vedantas is not required there, because of futility and conflict with agency".[9]

The Mīmāṁsakas did not reject the Vedāntic Ātman but advocated his existence. Kumārila Bhaṭṭa said[10] "thus, desirous of rejecting atheism the author of the Bhasya established the existence of Ātman by arguments. The knowledge of Ātman will be confirmed by the study of Vedanta". Prabhākara, the propounder of the other school of Mīmāṁsa, says "as regards the objection that the notions of I and mine are superimpositions of the self in the non-self, we rejoin that this should be exposed only to those whose mind is free from sins and impurities and not to those who are absorbed in action. The revered Dvaipāyana says 'we should not destroy the faith of the ignorant who are absorbed in action'. Therefore in accordance with the words of the sage our author of the Bhāṣya refrained from exposing this fact and not out of ignorance." Bhāvanātha, the author of Nyāyaviveka also says, 'or there is no syntactical unity of the Vedantas with Karmakanda since it has been established that the Vedantasastra beginning with 'then therefore enquiry of Brahman' is different."

8. Br. Sutra 3-4-16.
9. Br. Sūtra B. 1.1.1.
10. Śl. Vārtika 1-1-5.

Tṛtiyaliṅgaparāmarśa

by

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The Advaitin does not, as the Naiyāyika does, think that *liṅga-parāmarśa* has any part to play in inferential cognition and he believes that the complex or the synthetic cognition in the Nyāya syllogism, known as the *"vyāptiviśiṣṭa-pakṣa-dharmatājñāna"* is superfluous. According to the Naiyāyika, on the contrary, there cannot be an inferential cognition without the *parāmarśajñāna*. Even in cases where the *anumiti* appears to arise directly from *vyāpti-jñāna* and *pakṣadharmatājñāna,* there *is* the presence of *parāmarśa* which is not noticed in the quick transition of the mind from the stage of the *pakṣadharmatājñāna* to *anumiti*. Inference takes place as follows:

There is first the experience of smoke along with fire in the kitchen, etc. Then, there is the certainty as to the pervasion of smoke by fire. Then, thirdly, at a subsequent time, there is the perception of the *probans,* viz., smoke on the hill.

Then, the residual impressions of the original experience of the pervasion of smoke by fire are aroused, and, consequently, there is the revival of the memory of pervasion. Here, there is the perception of the *probans,* viz., smoke, as qualified by the pervasion of the *probandum* — viz., fire. This is called *paramārśa jñāna.** After this, there is the inferential knowledge—"on yonder hill, there is fire". So *paramārśajñāna* in its general form is this: "the minor term, viz., hill, has smoke which is pervaded by fire".

But, here, the Advaitin differs from the Naiyāyika and says that the inferential cognition is secured even through the recollection, resulting from the residual impressions, of the pervasion

* The cognition of the presence of the *liṅga* or reason in the minor term is the first *liṅgaparāmarśa;* the cognition of the invariable relation between *liṅga* and *sādhya* is the second *liṅgaparāmarśa.* The complex cognition arising from these two is called the *tṛtīya.*

of smoke by fire together with the knowledge of the *probans. Parāmarśa,* therefore, is not essential for inference. One need not postulate an intermediate stage of reflective self-consciousness of the subject as possessing *probandum*-pervaded *probans*[1] as a cause for inferential cognition. If the Law of Parsimony is to operate, the *tṛtīya-liṅga parāmarśa* or the correlation of the three terms, viz., major, minor and middle, is not necessary.

Both Mr. S. S. Suryanarayana Sastri and Dr. D. M. Datta quote Bradley in this connection for somewhat opposed purposes. The former thinks that Bradley would seem to favour the recognition of *tṛtīya-liṅga-parāmarśa,*[2] while the latter feels that Bradley in effect means, when he says that the conclusion S-P is discovered by "inspection" from S-M-P, that both S-M-P and S-P are "co-effects of the same intuition",[3] and argues that S-P is not secured from S-M-P by a fresh movement of thought. The question on which difference of opinion is expressed is, therefore, whether, before we reach a conclusion, for example, like "Socrates is mortal" which is of the form S-P, we shall or we do pass through the intermediary stage of thought like "Socrates-man-mortal", which is of the form S-M-P. Speaking of the psychological analysis of the inferential process, it is agreed that in every day life we do not pass through all the stages of reasoning consciously formulated as the steps of syllogism. Our inferences in daily life are for the most part inexplicit. To say this is not to deny that there is in all these inferences a process of reasoning

1. *na tu madhye vyāptismaraṇaṁ tajjanyaṁ "vahnivyāpyadhūmavānayam" ityādi viśeṣaṇa viśiṣṭa jñānaṁ vā hetutvena kalpanīyam, gauravāt mānābhāvāt ca—Vedāntaparibhāṣa*: Adyar Edition, p. 54. Also p. 59; *na tu tṛtīya liṅgaparāmarśo' numitau karaṇam.* The *gaurava* arises as follows: the Naiyāyika, too, cannot help recognising causal relation, *kārya-kāraṇabhāva,* between inferential cognition on the one side and the two cognitions, *vyāptijñāna* and *pakṣadharmatājnāna* on the other. If *parāmarśa* intervenes, there is yet another *kāryakāraṇabhāva* between this *parāmarśa* and *anumiti,* which is superfluous. See *A Primer of Indian Logic,* S. Kuppuswamy Sastri, p. 253. *vahnivyāpyo dhūmavān parvataḥ iti jñānadvayasya tava mate viśiṣṭaparāmarśaṁ prati kāraṇatvena klṛptasya kāraṇatve tu ananyathāsiddhatvamātrasya kalpanīyatayā lāghavamiti prābhākaraḥ śaṅkate* —says the *Nīlakanṭhaprakāśika,* which slightly varies from the explanation given in the *A Primer of Indian Logic.*

2. Notes on *Vedāntaparibhāṣa.* p. 189.

3. *Six ways of Knowing*—p. 208. See also Bradley: *Principles of Logic,* Vol. I, p. 259.

occurring in thought connecting the remembered past with the perceived present. Even what passes for an immediate intuition can be analysed into its rational elements exhibiting mediate connections rooted in experience. But this argument need not affect *liṅgaparāmarśa* alone adversely. It affects the other steps in the reasoning also.[4] It is never explicitly argued ordinarily as "On yonder hill there is fire, *because* there is smoke", as though one wanted to convince oneself as to the grounds and proofs of his own conclusion. And one is never conscious of the major premise, viz., "wherever there is smoke there is fire" at the time. But on that account the major premise is not given up. One sees the smoke as a fact of immediate experience and, without any conscious effort of thought is convinced as to the existence of fire. Anything more than this involves a demonstrative inference. But once demonstration is attempted there is no reason why one step is preferred to another or is treated as inessential. But even in the inference for oneself with which alone we are concerned here *liṅgaparāmarśa* is an indispensable stage, as the Naiyāyika rightly urges.

Again, S-M-P expresses a relation between S and P. That is, "the yonder hill" is consciously correlated with "fire" through the *probans* "because there is smoke", and the conclusion S-P, "On yonder hill there is fire" is obtained subsequently. While S-P speaks of the *hill* as qualified by fire, S-M-P speaks of a *fact of connection,* that makes this qualification possible together with the relata without which any connection is impossible. While S-P is the inferential cognition, S-M-P is the cause for it. While S-M-P shows "how the reason actually relied upon is identical with what is known to be invariably concomitant with the *probandum,* in S-P the *probandum* is conclusively proved by a *probans* which is not vitiated by a counter-*probans* or by a stultifying proof.[5] Clearly these two things are different. If they are, then, even as psycho-

4. The author of *Vedāntaparibhāṣa* avers that even *vyāptismaraṇa* as a step in reasoning is not necessary. Mere revival of residual impressions *saṁskārodbodha* with the *pakṣadharmatājñāna,* will do. To the same opinion, both Madhusūdana Saraswatī and Padmapāda are agreeable. *yathā pañcapādyāṁ svīkṛtaṁ- vyāptisaṁskāraviśiṣṭaṁ liṅgajñānam anumitihetuḥ na tvantarā vyāptismṛtiriti—Laghucandrikā*—Advaita Manjari Series, Kumbakonam, p. 396. I owe this reference to Sri S. Subrahmanya Sastri of the Sanskrit Department, University of Madras.

5. *A Primer of Indian Logic* : Prof. S. Kuppuswamy Sastri, p. 294.

logical processes, however inexplicit they may be, they are different. In fact, this step of linking the major, the minor and the middle was thought so important by the Older Logicians that this *tṛtīya-liṅgaparāmarśa* itself was treated as the last point of inference. One can go to the length of saying, therefore, that it is S-P and not S-M-P that is unnecessary because after all it seems to be a shortened expression of S-M-P. As Dr. Datta observes, S-M-P contains S-P. If anything it is S-P that seems redundant. If it is said that it is not, then S-M-P too, is not redundant, for the same reasons for which S-P is not, viz., it expresses a genuine step in inferential thought from which S-P is derived by a fresh movement of thought.

Secondly, and this is more important, if *vyāpti* is defined as of the nature of an apposition (of the *probans*) with a *probandum* located in all locations of the *probans* without exception[6] this perception of *vyāpti* itself involves the *parāmarśa,* S-M-P, in any particular case. How? The Advaitins argue that the *vyāptismṛti* itself is enough to produce the inferential cognition. Coupled with this, there is this fact that it is the *sahacāra-darśana,* or perception of co-existence of S and P through M or the *hetu,* whether it be once or many times, that is important for inference. Sometimes, even a single instance is admitted to be enough for an inference. This can only mean that even by the examination of a single or only instance where the *probans* and *probandam* are found together an inference is made.[7] If this is a true inference, the only step that is involved here is S-M-P. Does not this show that of all things in inference, S-M-P is the only one that seems really to matter? Such being the case, how can S-M-P be dispensed with by the Advaitins?

6. *vyāptiśca aśeṣasādhanāśrayāśritasādhyasāmānādhikaraṇarūpa — Vedāntaparibhāṣa,* p. 55.

7. *tacca sahacāradarśanaṁ bhūyodarśanaṁ sakṛddarśnaṁ vā iti viśeṣo nādaraṇīyaḥ, sahacāradarśanasyaiva prayojākatvāt—Vedāntaparibhāṣa*: p. 55.

A Nambudiri Saint of Kerala

by

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I

Koodallur Mana * is a famous Nambudiri home in Kerala. It had been a great centre of learning, one should say that it was an educational institution, for over many years. It is in Nareri village of Ponnani taluq.

I visited this *mana* in June, 1957, and what struck me most was its ancient view. Inside the *mana* are installed the images of Patanjali, the greatest exponent of *Yoga sutras* and Sri Mukkola Bhagawati. The goddess is the family deity and religious homage is paid to Her daily by the family Nambudiri priest. Patanjali was worshipped in the past by the great Sanskrit scholars of this family who were known throughout Kerala and some of them even outside Kerala for their proficiency in *Vedanta* and *Vyakarana.*

In this family, until thirty years ago, many young men belonging to the Nambudiri, Pattar, and Ambalavasi castes came to stay and study along with the great teachers of the Hindu *sastras.* Here the students were not only taught without fees, but were also fed free. It would be interesting to record here that on an average forty to fifty students engaged in the religious study used to be accommodated in the *mana.* I learnt that all the palm leaf manuscripts of this family on subjects ranging from astronomy and *Vedanta* to astrology, *mimamsa* and *vyakarana* were presented to the Travancore University Manuscripts Library a few years ago. No biographies of the renowned scholars who at one time lived, moved and instructed in this ancient home are now available.

* *Mana,* also known as *Illom*—A term used for a Nambudiri home in Kerala.

The Nambudiris by nature are not given to vain glory nor do they pretend that they are very learned pundits; they are the pure and innocent representatives of Vedic culture. One such great soul was the late Sri Kunhikavu Nambudiripad who lived sometime between the close of the last century and the beginning of this century.

II

Sri Kunhikavu Nambudiripad was a very versatile Sanskrit scholar of the Koodallur *mana*. As a young man he was very much devoted to Lord Krishna, the presiding deity at the Guruvayur temple. Giving up his interests in the family he came to live at Guruvayur in search of spiritual illumination. An interesting episode in the formative period of the life of this great soul may sound like a fairy tale; but it would be seen from what I am going to narrate that there is much truth in it.

It is said that Kunhikavu Nambudiripad being prompted by an earnest desire to renovate a neighbouring dilapidated temple one day asked his Karanavar with reverence if the latter could carry out these repairs or in the alternative provide him with funds for this purpose. The then Karanavar treated this sincere request in a most perfunctory way and this ignited the spark of renunciation in the young Nambudiripad. Consequently he decided to give up an opulent, comfortable life and chose to live like a recluse seeking solace at the feet of the Lord at Guruvayur. Thither he repaired and spent the rest of his days in propagating the cult of *bhakti* through the medium of the Bhagavata Purana.

III

Kunhikavu Nambudiripad left his ancestral home without telling any of his relations where he was going. And soon after his departure a great gloom fell upon the family. Children born in this family did not live long. There was some heart-searching among the members and this led them to a conclusion (though it may appear to be superstitious to the modern mind) that the death of the infants may be due to the annoyance which they might have caused to Kunhikavu, and which might have compelled him to walk out of the house with a heavy heart,

IV

While the family was passing through such a mental disquietitude, Kunhikavu Nambudiripad had made his presence felt in Kerala by taking short walking tours to the several village temples expounding the glory of the Lord Krishna. This attracted a vast concourse of people of all communities of the Hindu fold at the places where he halted and gave his discourses on the Sri Bhagavata Purana. Many were moved to ecstasy and followed him. He became the leading exponent of Bhagavata in Kerala. Even to-day among the Nambudiris there are very many devotees of Lord Krishna who take a delight in the *parayana,* daily reading of the Bhagavata. One can see a portrait of this saint in the Guruvayur temple.

V

The family members by this time had realized their folly in not having responded to a fervent appeal of one of their members, who now had become an honoured personality in Kerala. They now hurried to repair the damage which they have caused to themselves. But Kunhikavu, the saint, had completely forgotten the incident which had compelled him to walk out of the *mana.*

One senior member of the family with great doubt and hesitation in his mind thinking whether or not Kunhikavu, if invited, would return to the ancestral home started in search of this saint. In a few days he met him. Without any reservation he expressed his repentence on behalf of the family to the saint and begged of him to come back to their *mana.* The saint who had completely forgotten all that had happened in the past in his inimitable simplicity came back to the *mana* which was at one time his ancestral home.

The dilapidated temple which the saint had wanted to be repaired was completely renovated, and this was pointed out to him. The saint in a stoic manner neither expressed pleasure nor displeasure but blessed all members. Miraculous as it may seem thereafter there were no deaths of children born in this family.

VI

The joy and pleasure that now began to pervade in the *mana* did not make the members blind to a thing which might have been

an unuttered wish of the saint, i.e., the reading of the Bhagavata and the study of Sanskrit. Once again things began to flourish in this large family of many members. Many of them took to different types of learning and with the changing times they have admirably adjusted themselves to the circumstances. Now it is not a family of old orthodox pundits but an illustrious group of persons pursuing different avocations.

Note: This short note is based on data collected when I visited Koodallur *Mana* during my field-researches in May-June, 1957. My grateful thanks are due to Sri Neelakantan Nambudiripad of this *Mana* for his hospitality.

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Book Review

A second supplementary catalogue of Printed Books in Hindi, Bihari and Pahadi *in the Library of the British Museum.*

The first volume of the series of catalogues of Hindi Printed Books in the British Museum was published in 1893, followed by a second volume in 1913. This is the second supplement finalised by Dr. Barnett. It contains about 6,500 titles of books acquired for the Library of the British Museum during the years 1913-54, based on the many thousands of titles prepared by the late Mr. J. F. Blumhardt and after him by Mr. J. V. S. Wilkinson. This contains very many important details which are often lacking in the previous catalogues.

As Dr. Barnett himself states, some of the titles are pamphlets in languages only remotely connected with Hindi, specially because Hindi has evolved out of Shamaseni Apabhramsha as against Bihari which has evolved from Magadhi Apabhramsha, and Pahadi which has closer proximity with Rajasthani. However, the Index of Non-Hindi books classified by language in addition to the general and subject Indexes of titles in the appendix will help one to understand the exact language of the books.

It is gratifying to note that in this volume, large amount of modern heroic poetry based on the Alha-cycle also has been recorded with references including the canto-numbers.

The great Indologist Dr. Barnett and his colleagues richly deserve the congratulations of the readers for achieving success in the stupendous task of preparing this second supplementary catalogue in such a short time. It is an indispensable volume for every library meant for higher learning in Hindi and other North Indian Indo-Aryan languages.

The get-up of this monumental work is excellent in keeping with the standard of the British Museum Publications.

S. S. R.

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